



บริษัท ล้าสูง (ประเทศไทย) จำกัด (มหาชน)

**Lam Soon (Thailand) Public Company Limited**

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**August 11, 2021**

**Subject: To submit the Interim Management Discussion and Analysis  
For the three-month period ended 30 June 2021**

**To: Directors and Managers of the Stock Exchange of Thailand**

Lam Soon (Thailand) Pcl. (LST) and its subsidiaries would like to inform the operating results for the three-month period ended 30 June 2021. Total revenues were Baht 2,179.8 million, compared to the same period of 2020 with revenues at Baht 1,728.7 million, increasing by 26.1%. The Profit attributable to equity holders of the Company was Baht 141.7 million, compared to the same period of 2020 with the Profit at Baht 74.2 million, increasing by 90.9%.

The Company would like to submit the management discussion and financial performance analysis and explanation for the three-month period ended 30 June 2021.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)  
Managing Director

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Certification



## Interim Management Discussion and Analysis For the three-month period ended 30 June 2021

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### **Financial performance analysis and explanation**

For the three-month period ended 30 June 2021, the Company's sales increased by Baht 524.5 million or 44.4% compared to the same period of 2020. The main reason was that the average selling price per unit increased by 31.1%, and total sales volume increased by 10.2%. Cost of sales ratio slightly increased from 88.9% to 89.0%, effecting gross profit to increase by Baht 56.7 million or 43.1%. As a result, the Company had profit for the period at Baht 135.8 million, an increase of Baht 72.8 million Baht or 115.6% from the same period of 2020.

The subsidiary company (UPOIC)'s sales increased by Baht 265.3 million or 120.6% from Q2/2020. The main reason was that the average selling prices of CPO and CPKO increased by 64.6% and 87.3% respectively, and sales volume of CPO and CPKO increased by 22.3% and 224.0% respectively. As a result, profit for the period increased by Baht 79.2 million.

For its subsidiary company (UFC), sales decreased by Baht 19.2 million or 4.4%, driven by a decrease in sales of beverages at Baht 36.0 million and a decrease in sales of sauces, seasonings, others at Baht 5.6 million. However, sales of canned fruits and vegetables increased by Baht 22.4 million. Profit for the period decreased by Baht 6.2 million or 20.8%.

As reasons above, profit attributable to equity holders of the Company for the period was Baht 141.7 million, increasing by Baht 67.5 million or 90.9% (Q2/2020: Baht 74.2 million). Profit ratio for the period was 6.5% of total revenues (Q2/2020: 4.3%).

Other major components and changes in consolidated financial statements were as follows:-

#### **1. Revenues**

**Sales from contracts with customers :** Sales revenue under the Company and its subsidiaries for the period increased by Baht 442.7 million or 25.9%. The increment mainly came from sales revenue of LST which increased by Baht 524.5 million or 44.4%, resulting from the increase in the average selling price per unit 31.1% and increase in sales volume 10.2%.

**Other income :** The Company and its subsidiaries had income other than those generated by normal operation at Baht 31.0 million or 1.4% of total revenues (Q2/2020: Baht 22.6 million). Other income under LST was Baht 11.5 million which mainly came from selling scrap and assets of company such as palm shell. UPOIC's other income was Baht 15.0 million mainly from selling palm shell and empty bunch.

#### **2. Expenses**

**Cost of sales :** The Company and its subsidiaries recorded cost of sales for the period at 81.8% of total sales (Q2/2020: 83.8%). It mainly came from cost of sales under LST that was 89.0% (Q2/2020: 88.9%) because the average selling price per unit increased by 31.1% while the average unit cost increased by 31.2%.

Plantation subsidiary (UPOIC) recorded cost of sales at Baht 334.6 million, increasing by Baht 169.5 million or 102.7% from Q2/2020 because the average FFB cost raised by 66.6% and sales volume increased by 40.3%. The subsidiary company (UFC) recorded cost of sales at 81.3% of total sales (Q2/2020: 78.5%).

**Selling expenses :** The Company and its subsidiaries recorded selling expenses at Baht 134.4 million (Q2/2020: Baht 116.7 million), increasing by Baht 17.7 million. Selling expenses of LST increased by Baht 10.7 million mainly from goods transportation, advertising and promotion which aligned with higher sales volume. UPOIC's selling expenses increased by Baht 5.5 million from goods transportation which was in line with sales volume.

## Interim Management Discussion and Analysis For the three-month period ended 30 June 2021

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**Administrative expenses :** Administrative expenses of the Company and its subsidiaries were Baht 56.1 million (Q2/2020: Baht 49.9 million), increasing by Baht 6.2 million. Administrative expenses of UPOIC increased by Baht 4.7 million from allowance for impairment of land and net book value of oil palm plantation development.

**Loss (Profit) from change in fair value of biological assets :** The subsidiary (UPOIC) realized loss from change in fair value of biological assets at Baht 44.0 million (Q2/2020: loss Baht 21.5 million).

### 3. Profits

**Gross profit (GP) :** GP of the Company and its subsidiaries increased by Baht 115.3 million or 41.8%. The consolidated GP was 18.2% of total sales (Q2/2020: 16.2%). For the Company, GP increased by Baht 56.7 million or 43.1%.

**Profit for the period :** Profit attributable to equity holders of the Company for the three-month period ended 30 June 2021 was Baht 141.7 million (Q2/2020: Baht 74.2 million), increasing by Baht 67.5 million or 90.9%. Profit ratio for the period was 6.5% of total revenues (Q2/2020: 4.3%).