



บริษัท น้ำตาลขอนแก่น จำกัด (มหาชน)
坤敬糖廠有限公司 (大眾)
KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

No. AC041/2023

8 September 2023

SUBJECT MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL PERFORMANCE
FOR THE 3rd QUARTER 2023

ATTENTION PRESIDENT, THE STOCK EXCHANGE OF THAILAND

Khon Kaen Sugar Industry Public Company Limited and its subsidiaries (“KSL”) would like to report our financial performance for the nine-month period ended July 31, 2023, the company had a net profit attributed to owners of the parent in the amount of THB 791 million which decreased by THB 475 million comparison with the net profit for the previous year’s corresponding period.

For Q3/2023 (the three-month period from May 1, 2023 to July 31, 2023), the company had a net loss attributed to owners of the parent in the amount of THB 165 million which decreased by THB 684 million comparison with the profit of Q3/2022. The operating performance and major changes are summarized as follows:

Revenues from Sales and Rendering of Services

(Unit : Million THB)

Structure of Revenues	THE 3 rd QUARTER			THE 9 MONTH PERIOD		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
Revenues from sales	4,226	5,442	(1,216)	14,177	12,979	1,198
Sugar and molasses	3,626	4,920	(1,294)	12,227	11,356	871
Electricity	397	335	62	1,233	995	238
Fertilizer, fuels and others	203	187	16	717	628	89
Revenues from services	37	43	(6)	115	124	(9)
Total revenues from sales and services	4,263	5,485	(1,222)	14,292	13,103	1,189

(i) Revenues from sales of sugar and molasses for Q3/2023 in the amount of THB 3,626 million that decreased by THB 1,294 million or 26% sugar deliveries were faster than in 2022, resulting in a decrease in sugar sales volume, compared with Q3/2022. The total sugar sales volume for Q3/2023 was 217,439 tons that decreased by 12%, and the average sugar sale price of all distribution channels was increased by 3% due to inclining of domestic sale price and world sugar price.

(ii) Revenue from sale of electricity was increased from THB 335 million to THB 397 million, 19% increase, due to increase in electricity sales volume from sales contracts and increase in the average electric sale price from FT price.

Gross Profit

Gross profit decreased from THB 1,041 million in Q3/2022 to THB 124 million in Q3/2023, or 88%, is derived from significant decrease in sale volume and increase in cost of sugar sale per unit. Gross profit margin decreased from 19% in Q3/2022 to 3% in Q3/2023 was mainly due to price of raw material (sugar cane) increase from the previous year, include the term of sugar futures contracts has been extended due to fluctuations in global sugar prices.

Distribution Costs

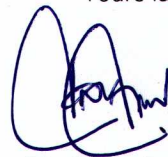
Distribution costs decreased from THB 149 million to THB 133 million, or 11% decrease, was mainly from transportation and exportation expenses that correlates with decrease in export sale volume of sugar.

Administrative Expenses

Total administrative expenses increase by THB 23 million was mainly due to sugar futures contract management.

In the overview of the company's financial status as of July 31, 2023, the company had total assets of THB 42,169 million, total liabilities of THB 20,653 million and total shareholders' equity of THB 21,516 million. Interest bearing debt to equity ratio (IBD/E ratio) as of July 31, 2023, represented at 0.77.

Yours faithfully,



Mr. Chalush Chinthammit

Chief Executive Officer and President

Khon Kaen Sugar Industry Public Company Limited