|  |
| --- |
| **1 Gener****al information** |

Sunsweet Public Company Limited (‘the Company’) is a public company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand on 25 December 1997. The address of its registered office is as follows:

No. 9 Moo 1, Thung Satok sub-district, Sanpatong district, Chiang Mai, 50120.

For reporting purposes, the Company and its subsidiary are referred to ‘the Group’.

The Company and its subsidiary’s principal business operation are manufacture and distribute in agricultural products including fresh and processed of fruits and vegetables.

The interim consolidated and separate financial information were authorised by the Board of Directors on   
8 November 2023.

|  |
| --- |
| **2 Basis of preparation** |

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

|  |
| --- |
| **3 Accounting policies** |

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022.

The adoption of the new and amended financial reporting standards that are effective for accounting period beginning 1 January 2023 has no significant impact to the Group.

For the new and amended financial reporting standards that are effective on 1 January 2023, the Group has not been early adopted those standards. The Group’s management is currently considering the impact of adoption of these standards.

|  |
| --- |
| **4 Estimates** |

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

|  |
| --- |
| **5 Segment information** |

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker is the Board of Directors which measure its performance from segment profit.

For the purpose of operational management, the Group separated the business into 2 operating segments as follows:

- Sales of goods in domestic segment.

- Export of goods to overseas segment.

Revenue is recognised when the Group satisfies a performance obligation by transferring goods and services to customers as this is the point in time.

Significant information relating to revenue and profit of the reportable segments are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial information** | | |
|  | **For the nine-month period ended 30 September 2023**  **(Unaudited)** | | |
|  | **Domestic** | **Export** |  |
|  | **sales segment** | **sales segment** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Revenue from sales | 648,200,080 | 2,204,429,517 | 2,852,629,597 |
| Cost of sales | (513,164,991) | (1,759,789,505) | (2,272,954,496) |
|  |  |  |  |
| **Segment profit** | **135,035,089** | **444,640,012** | **579,675,101** |
| Other income |  |  | 6,540,230 |
| Gain on exchange rate, net |  |  | 21,662,128 |
| Losses on derivatives, net |  |  | (80,644,854) |
| Unallocated costs |  |  |  |
| - Selling and administrative expenses |  |  |  |
| and finance costs |  |  | (259,309,148) |
|  |  |  |  |
| **Profit before income tax** |  |  | **267,923,457** |
| Income tax |  |  | (28,427,199) |
|  |  |  |  |
| **Profit for the period** |  |  | **239,496,258** |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | 648,200,080 | 2,204,429,517 | 2,852,629,597 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial information** | | |
|  | **For the nine-month period ended 30 September 2022**  **(Unaudited)** | | |
|  | **Domestic** | **Export** |  |
|  | **sales segment** | **sales segment** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Revenue from sales | 526,209,441 | 1,887,314,990 | 2,413,524,431 |
| Cost of sales | (434,795,866) | (1,574,940,111) | (2,009,735,977) |
|  |  |  |  |
| **Segment profit** | **91,413,575** | **312,374,879** | **403,788,454** |
| Other income |  |  | 7,331,061 |
| Losses on exchange rate, net |  |  | (36,830,370) |
| Losses on derivatives, net |  |  | (43,735,349) |
| Unallocated costs |  |  |  |
| - Selling and administrative expenses |  |  |  |
| and finance costs |  |  | (227,585,752) |
|  |  |  |  |
| **Profit before income tax** |  |  | **102,968,044** |
| Income tax |  |  | (14,436,901) |
|  |  |  |  |
| **Profit for the period** |  |  | **88,531,143** |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | 526,209,441 | 1,887,314,990 | 2,413,524,431 |

|  |
| --- |
| **6 Fair value** |

The following table presents fair value of financial assets and liabilities recognised by their fair value through profit or loss hierarchy.

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate**  **financial information** | |
|  | **Level 2** | |
|  | **(Unaudited)** | **(Audited)** |
|  | **30 September**  **2023** | **31 December 2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Derivative assets** |  |  |
| Foreign currency forward contracts | - | 11,828,542 |
|  |  |  |
| **Derivative liabilities** |  |  |
| Foreign currency forward contracts | 59,894,501 | 373,588 |
| Foreign currency option contracts | 9,295,400 | - |

*Details of key assumption used*

Fair value of derivative assets and liabilities are determined using the foreign exchange rate from the financial institutions which categorised into hierarchy level 2.

*Transfer between fair value hierarchy*

During the period, there were no transfers between fair value hierarchy level.

*The Group’s valuation process*

Chief Financial Officer (CFO) and Executive Board of Directors discuss valuation processes and results at least every quarter.

Since the majority of Group’s financial assets and financial liabilities are short-term in nature or carrying interest at rates close to the market interest rates, their fair value are not expected to be materially different from the carrying amounts.

|  |
| --- |
| **7 Trade and other receivables, net** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **(Unaudited)** | **(Audited)** | **(Unaudited)** | **(Audited)** |
|  | **30 September**  **2023** | **31 December 2022** | **30 September**  **2023** | **31 December 2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables - third parties | 228,709,635 | 131,498,707 | 226,893,703 | 128,484,418 |
| Less Allowance for expected credit losses | (2,941,641) | (2,575,513) | (2,941,641) | (2,575,513) |
|  |  |  |  |  |
| Total trade receivables, net | 225,767,994 | 128,923,194 | 223,952,062 | 125,908,905 |
|  |  |  |  |  |
| Other receivables - third parties | 5,751,440 | 1,758,952 | 5,751,440 | 1,758,952 |
| - subsidiary (Note 13.3) | - | - | 354,913 | 1,714,448 |
| Less Allowance for expected credit losses | (32,533) | (60,567) | (32,533) | (60,567) |
|  |  |  |  |  |
| Total other receivables, net | 5,718,907 | 1,698,385 | 6,073,820 | 3,412,833 |
|  |  |  |  |  |
| Prepaid expenses | 2,682,740 | 2,532,251 | 2,608,087 | 2,458,100 |
| Deposit and retention | 9,475,968 | 6,278,320 | 9,475,968 | 6,260,320 |
| Advance payment | 1,522,660 | 341,467 | 1,456,943 | 276,368 |
| Others | 709,342 | 821,785 | 392,737 | 480,838 |
|  |  |  |  |  |
| Total trade and other receivables, net | 245,877,611 | 140,595,402 | 243,959,617 | 138,797,364 |

As at 30 September 2023, classification of the Company’s trade and other receivables, net are amortised cost and the fair value of the trade and other receivables, net are not expected to be materially different from the amounts presented in the statements of financial position.

Outstanding balance of trade receivables classified by aging are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **(Unaudited)** | **(Audited)** | **(Unaudited)** | **(Audited)** |
|  | **30 September**  **2023** | **31 December 2022** | **30 September**  **2023** | **31 December 2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not overdue | 213,692,020 | 122,589,153 | 211,876,088 | 119,574,864 |
| Less than 3 months | 13,070,767 | 7,306,889 | 13,070,767 | 7,306,889 |
| 3 - 6 months | 118,641 | 64,111 | 118,641 | 64,111 |
| 6 - 12 months | 436,992 | 54,800 | 436,992 | 54,800 |
| Over 12 months | 1,391,215 | 1,483,754 | 1,391,215 | 1,483,754 |
|  |  |  |  |  |
|  | 228,709,635 | 131,498,707 | 226,893,703 | 128,484,418 |
| Less Allowance for expected credit losses | (2,941,641) | (2,575,513) | (2,941,641) | (2,575,513) |
|  |  |  |  |  |
| Total trade receivables, net | 225,767,994 | 128,923,194 | 223,952,062 | 125,908,905 |

|  |
| --- |
| **8 Inventories, net** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **(Unaudited)** | **(Audited)** | **(Unaudited)** | **(Audited)** |
|  | **30 September**  **2023** | **31 December 2022** | **30 September**  **2023** | **31 December 2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Raw materials | 6,884,832 | 10,700,684 | 6,689,599 | 10,243,073 |
| Finished goods | 295,103,514 | 16,741,375 | 294,464,185 | 16,168,347 |
| Containers and packing materials | 40,177,575 | 113,279,030 | 39,883,512 | 113,048,178 |
| Supplies | 15,395,404 | 13,923,487 | 15,395,404 | 13,923,487 |
|  |  |  |  |  |
|  | 357,561,325 | 154,644,576 | 356,432,700 | 153,383,085 |
| Less Allowance for decrease in |  |  |  |  |
| value of inventories | (810,720) | (297,751) | (810,720) | (297,751) |
|  |  |  |  |  |
|  | 356,750,605 | 154,346,825 | 355,621,980 | 153,085,334 |

|  |
| --- |
| **9 Investment in a subsidiary** |

The details of investment in a subsidiary are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Separate financial information** | | | |
|  |  |  | **% Ownership interest** | | **Investment at**  **cost method (Baht)** | |
| **Company** | **Nature of business** | **Country of**  **incorporation** | **(Unaudited)**  **30 September**  **2023** | **(Audited)**  **31 December 2022** | **(Unaudited)**  **30 September**  **2023** | **(Audited)**  **31 December 2022** |
|  |  |  |  |  |  |  |
| SunSweet International | Trading agricultural |  |  |  |  |  |
| Co., Ltd. | products and sale of |  |  |  |  |  |
|  | consumable products |  |  |  |  |  |
|  | through vending  machines | Thailand | 100 | 100 | 7,369,971 | 7,369,971 |

|  |
| --- |
| **10 Property, plant and equipment, net** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial**  **information** | **Separate**  **financial**  **information** |
|  | **Baht** | **Baht** |
|  |  |  |
| **For the nine-month period ended 30 September 2023** |  |  |
| Opening net book amount (Audited) | 922,523,919 | 921,891,332 |
| Additions | 193,185,296 | 193,185,296 |
| Disposals, net | (267,975) | (267,975) |
| Depreciation charge | (53,397,177) | (53,290,925) |
|  |  |  |
| Closing net book amount (Unaudited) | 1,062,044,063 | 1,061,517,728 |

As at 30 September 2023, a certain part of machinery and equipment at net book amount of Baht 226.40 million   
(31 December 2022: Baht 183.07 million) has been pledged as collateral against borrowings from financial institutions.

|  |
| --- |
| **11 Trade and other payables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **(Unaudited)** | **(Audited)** | **(Unaudited)** | **(Audited)** |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade payables - third parties | 341,875,605 | 197,655,414 | 339,463,991 | 195,626,026 |
| - subsidiary (Note 13.3) | - | - | 26,750 | 1,060,451 |
| Other payables - third parties | 2,613,131 | 1,993,251 | 2,613,131 | 1,993,251 |
| Accrued expenses | 26,416,978 | 16,386,196 | 26,200,043 | 16,122,045 |
| Others | 1,204,350 | 1,204,349 | 1,204,350 | 1,204,349 |
|  |  |  |  |  |
|  | 372,110,064 | 217,239,210 | 369,508,265 | 216,006,122 |

As at 30 September 2023, trade and other payables are measured at amortised cost and the fair value of the trade and other payables are not expected to be materially different from the amounts presented in the statements of financial position.

|  |
| --- |
| **12 Long-term loans from a financial institution** |

The movement of long-term loans from a financial institution is as follows:

|  |  |
| --- | --- |
|  | **Consolidated and separate** |
|  | **financial information** |
|  | **Baht** |
| **For the nine-month period ended 30 September 2023** |  |
| As at 1 January (Audited) | 59,585,000 |
| Addition | 123,133,000 |
| Repayment | (31,450,000) |
|  |  |
| As at 30 September (Unaudited) | 151,268,000 |
| Less Current portion | (72,150,000) |
|  |  |
| Non-current portion | 79,118,000 |

During the nine-month period ended 30 September 2023, the Company made an additional borrowing from a financial institution of Baht 123.13 million which is an 3 existing credit facilities to invest in Properties and Machines. The consists of :

1) The loan amount Baht 12.04 million at credit facility amount Baht 13.81 million. The loan bears interest is MLR-2% per annum for the first 12 months and at rate MLR-1.75% per annum afterwards. The loan is due for repayment on monthly basis at Baht 0.23 million per month. The repayment schedule is from February 2023 to March 2027.

2) The loan amount Baht 71.94 million at credit facility amount Baht 77.60 million. The loan bears interest is MLR-2% per annum for the first 12 months and at rate MLR-1.75% per annum afterwards. The loan is due for repayment on monthly basis at Baht 1.62 million per month. The repayment schedule is from February 2023 to March 2027.

3) The loan amount Baht 39.15 million at credit facility amount Baht 107.89 million. The loan bears interest is MLR-2% per annum for the first 24 months and at rate MLR-1.75% per annum afterwards. The loan is due for repayment on monthly basis at Baht 2 million per month. The repayment schedule is from September 2023 to October 2027.

**Fair value**

As at 30 September 2023, the fair values of long-term loans from financial institutions with interest charged at the floating rates, the carrying amount of such loans approximates the fair value within level 2 of the fair value hierarchy. The calculation of fair values are based on discounted cash flows using discount rates based upon market interest rates for borrowing in the same risk level.

|  |
| --- |
| **13 Dividend payment** |

On 20 April 2023, at the Annual General Shareholders’ meeting of the Company, the Shareholders approved   
to pay remaining dividends from operating results for the year 2022 amounting to Baht 0.10 per share, totaling Baht 64.45 million. The dividend was paid to the shareholders on 19 May 2023.

On 9 August 2023, at the Board of Directors’ meeting no. 3/2023, the Board of Directors approved to pay interim dividend from operating results for the first six-month of 2023 amounting to Baht 0.10 per share, totaling Baht 64.50 million. The dividend was paid to the shareholders on 8 September 2023.

|  |
| --- |
| **14 Related parties transactions** |

Relationships between the Company and related parties are as follows:

|  |  |  |
| --- | --- | --- |
| **Company** | **Nature of business** | **Relationship** |
|  |  |  |
| **Subsidiary** |  |  |
|  |  |  |
| SunSweet International Co., Ltd. | Trading agricultural products | Direct shareholding, common |
|  | and sale of consumable products  through vending machines | shareholders and directorship |
|  |  |  |
| **Related parties** |  |  |
|  |  |  |
| SunSweet Bio-Energy Co., Ltd. | Produce and sell electricity | Entity under common control, |
|  | power and processed scrapes | common shareholders and directorship |
|  | from agricultural products |  |
|  |  |  |
| So Sweet Co., Ltd. | Retail sweetcorn products in | Entity under common control, |
|  | franchise business | common shareholders and directorship |
|  |  |  |
| SunSweet Agrotech Co., Ltd. | Manufactured canned fruits | Entity under common control, |
|  | and agricultural products | common shareholders and directorship |
|  |  |  |
| Sunshine Travel Co., Ltd. | Travel agency and other | Common shareholders and directorship |
|  | related services |  |
|  |  |  |
| Wiangjedlin Co., Ltd. | Sell and distributor of ice-cream | Common shareholders and directorship |
|  |  |  |
| Chiangmai Social Enterprises | Social enterprises | Common shareholders and directorship |
| Company Limited |  |  |
|  |  |  |
| Sunsweet Holdings Co., Ltd. | Holding company | Common shareholders and directorship |

The following transactions were carried out with related parties:

**14.1 Sales of goods and services**

**For the nine-month period ended 30 September**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **(Unaudited)** | | **(Unaudited)** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Sales of services to |  |  |  |  |
| - subsidiary | - | - | 3,099,921 | 1,841,316 |
| - entities under common control | 20,000 | 20,000 | 20,000 | 20,000 |
| - directors | - | 2,009 | - | 2,009 |
|  |  |  |  |  |
|  | 20,000 | 22,009 | 3,119,921 | 1,863,325 |
|  |  |  |  |  |
| Rental income from |  |  |  |  |
| - subsidiary | - | - | 45,000 | 45,000 |
| - directors | - | 518,760 | - | 518,760 |
|  |  |  |  |  |
|  | - | 518,760 | 45,000 | 563,760 |
|  |  |  |  |  |
| Interest income from subsidiary | - | - | 170,371 | - |

**14.2 Purchases of goods and services**

**For the nine-month period ended 30 September**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **(Unaudited)** | | **(Unaudited)** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Purchases of goods from |  |  |  |  |
| - subsidiary | - | - | 15,183,131 | 4,049,895 |
|  |  |  |  |  |
| Rental expense to |  |  |  |  |
| - subsidiary | - | - | 225,000 | 225,000 |

**14.3 Outstanding balances arising from sales and purchases goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **(Unaudited)** | **(Audited)** | **(Unaudited)** | **(Audited)** |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Other receivables - subsidiary | - | - | 354,913 | 1,714,448 |
| Trade payable - subsidiary | - | - | 26,750 | 1,060,451 |

**14.4 Key management compensation**

Key management includes directors and executive management (regardless of whether they are in the managerial level or not) and top management. Compensation paid or payable to key management for the periods as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate** | |
|  | **financial information** | |
|  | **(Unaudited)** | **(Unaudited)** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Salaries and other short-term benefits | 24,859,763 | 21,236,855 |
| Post-employment benefits | 353,888 | 321,374 |
|  |  |  |
|  | 25,213,651 | 21,558,229 |

|  |
| --- |
| **15 Commitments** |

**15.1 Bank guarantees**

The Group has letter of guarantee issued by banks for normal business operations as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate** | |
|  | **financial information** | |
|  | **(Unaudited)** | **(Audited)** |
|  | **30 September** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Guarantees for electricity usage | 5,264,100 | 4,294,900 |

**15.2 Capital expenditure commitment**

Capital expenditure commitment were not recognised as liabilities in the financial information is as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate** | |
|  | **financial information** | |
|  | **(Unaudited)** | **(Audited)** |
|  | **30 September** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Building, machinery and equipment | 34,713,337 | 132,025,337 |