

No. MDA-EN 02/2025

9 May 2025

Subject: Management's Discussion and Analysis (MD&A) for Q1 2025 performance

To: President of The Stock Exchange of Thailand (Revised)

Executive Summary

(Unit: Million THB)	1Q2025	4Q2024	1Q2024	% Inc. (Dec.)	
				YoY	QoQ
Revenue from sales	826.2	1,009.5	765.3	8.0%	(18.2%)
Gross Profit	145.2	149.8	169.2	(14.2%)	(3.1%)
Net Profit	48.0	33.1	54.9	(12.7%)	45.0%
Earnings per share (Baht/share)	0.06	0.04	0.09		

- Revenue from sales in 1Q2025 totaled Baht 826.2 million, representing an 8.0% increase compared to the same period last year. This growth was driven by rising customer demand both domestically and internationally, with particularly strong performance in the domestic market. The continued expansion in this segment was mainly supported by the growing popularity of ready-to-eat products.
- Gross profit in 1Q2025 amounted to Baht 145.2 million, representing a 14.2% decrease compared to the same quarter last year. The decline was primarily due to the raw materials entering the production process not aligning with the planned strategy, resulting in higher production costs. Additionally, the Company was affected by currency fluctuations, as the Thai baht appreciated against the US dollar throughout the quarter.
- Net profit for 1Q2025 was Baht 48.0 million, a decrease of 12.7% compared to the same period last year. The decline was mainly due to the decrease in gross profit and higher selling expenses which increase in line with increase in sales.

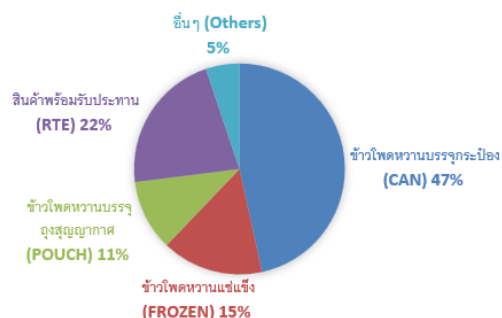
ESG Journey Progress

- The Company has adopted a policy to become a paperless organization. To support this initiative, both internal and external paper reduction programs have been implemented. Externally, the Company launched an e-Tax Invoice program in collaboration with customers and business partners to minimize paper usage. Internally, the Company encourages employees and departments to increasingly utilize and store documents electronically. Additionally, the distribution of printed materials is being reduced by promoting the use of QR codes as an alternative.

Financial Performance

(Unit: Million THB)	1Q2568	4Q2567	1Q2567	% Inc. (Dec.)	
				YoY	QoQ
Revenue from sale of goods	826.2	1,009.5	765.3	8.0%	(18.2%)
Cost of sale of goods	(681.0)	(859.7)	(596.1)	14.3%	(20.8%)
Gross profit	145.2	149.8	169.2	(14.2%)	(3.1%)
Other income	2.5	2.8	3.6	(30.7%)	(10.6%)
Net gain (loss) on exchange rate & on derivatives	3.5	(9.6)	(27.0)	113.1%	137.0%
Selling expenses	(60.2)	(69.9)	(50.1)	20.1%	(13.8%)
Administrative expenses	(31.3)	(33.5)	(31.2)	0.4%	(6.5%)
Finance costs	(2.0)	(3.4)	(2.8)	(27.7%)	(41.7%)
Profit before income tax	57.7	36.2	61.7	(6.5%)	59.4%
Income tax	(9.7)	(3.1)	(6.8)	43.5%	213.9%
Net profit	48.0	33.1	54.9	(12.7%)	45.0%
Earnings per share (THB/share)	0.06	0.04	0.09		
Key Financial Ratios					
Gross Profit Margin (%)	17.6%	14.8%	22.1%	(4.5%)	2.8%
Net Profit Margin (%)	5.8%	3.3%	7.1%	(1.3%)	2.5%
EBITDA	84.3	65.4	88.1	(4.2%)	28.9%
EBITDA Margin (%)	10.1%	6.4%	11.5%	(1.4%)	3.7%
D/E (times)	0.5	0.4	0.6	(19.2%)	17.3%
ROE (%)	13.8%	9.2%	15.8%	(2.0%)	4.6%
ROA (%)	9.5%	6.1%	10.4%	(0.9%)	3.4%
Cash Cycle (days)	59.2	59.7	76.8	(22.8%)	(0.9%)

SALES BREAKDOWN (%) 1Q2568



	CAN	FROZEN	POUCH	RTE	OTHER	
1Q2567	15	6	7	47	2	765
1Q2568						826

Revenue from sale of goods

The Company reported sales revenue of Baht 826.2 million in 1Q2025, representing an 8.0% increase compared to the same period last year. This growth was driven by rising customer demand both domestically and internationally, with particularly strong momentum in the domestic market supported by the continued expansion of ready-to-eat (RTE) products. Export sales also saw an increase, primarily from canned and pouch products purchased in greater volumes by existing customers - especially in Asia, Europe, and the Middle East. Meanwhile, domestic sales growth was fueled by strong performance in the RTE product segment, including boiled tiger peanut, grilled japan sweet potato, sweet corn with cheese, ready-to-eat corn, and grilled tricolor sweet potato, which are widely available in convenience stores around Thailand.

Gross profit and Gross profit margin

Gross profit in 1Q2025 amounted to Baht 145.2 million, representing a 14.2% decrease compared to the same period last year. The decline was primarily due to the volume of raw materials entering production during the quarter falling short of the planned level and being lower than the same quarter last year, resulting in higher production costs. Additionally, the Company was affected by exchange rate volatility, as the Thai baht appreciated against the US dollar throughout the quarter.

The Company's gross profit margin for 1Q2025 was 17.6%, down from 22.1% in the same quarter last year, primarily due to the factors mentioned above.

Net gain (loss) from foreign exchange and derivative instruments

In 1Q2025, the Company recorded a net gain of Baht 3.5 million from foreign exchange and derivative instruments, representing a 113.1% improvement compared to a net loss of Baht 27.0 million in the same period last year. The gain was primarily driven by the appreciation of the Thai baht against the US dollar throughout the quarter, following the depreciation of the US dollar due to global economic volatility. Nevertheless, the Company has actively managed exchange rate risks by consistently entering into forward foreign exchange contracts to mitigate the impact of such currency fluctuations.

Selling Expenses

Selling expenses for 1Q2025 amounted to Baht 60.2 million, representing a 20.1% increase compared to the same period last year. This increase was in line with the growth in revenue from sale of goods.

Finance Costs

Finance costs in 1Q2025 totaled Baht 2.0 million, a decrease of 27.7% compared to the same quarter last year. The reduction was primarily due to a decrease in the use of short-term borrowings from financial institutions for working capital, as the Company was able to manage its working capital more efficiently.

Net profit and Net profit margin

The Company reported a net profit of Baht 48.0 million in 1Q2025, a decrease of Baht 6.9 million or approximately 12.7% compared to the same period last year. The decline was mainly attributable to lower gross profit resulting from higher product costs, as well as increased selling expenses in line with the rise in sales volume.

The Company's net profit margin for 1Q2025 stood at 5.8%, down from 7.1% in the same quarter last year as mentioned above.

Key Financial Ratios

- **Liquidity**

The cash cycle decreased from 76.8 days to 59.2 days, primarily due to a lower average inventory level during the quarter, which brought the balance closer to an optimal state compared to the same period last year. In addition, in 1Q2025, the Company also accelerated payments for raw materials to incentivize farmers and suppliers to deliver raw materials to the factory on a continuous basis. The Company remains committed to maintaining a proper balance between business growth and effective liquidity management.

- **Profitability**

Return on Equity (ROE) and Return on Assets (ROA) both declined, in line with the decrease in net profit.

- **Leverage**

The debt-to-equity ratio stood at 0.5 times, down from 0.6 times in the same period last year, reflecting the Company's ability to manage cash flow efficiently.

Statement of Financial Position

Description	As at 31 March	As at 31 December	Inc. (Dec.)	
	2025	2024	Million THB	%
Total Assets	2,125.4	1,955.9	169.6	8.7%
Total Liabilities	691.9	570.3	121.6	21.3%
Total Equity	1,433.5	1,385.6	47.9	3.5%

As of March 31, 2025, the Company reported total assets of Baht 2,125.4 million, an increase of 8.7% compared to the end of the previous year. The increase was mainly driven by a Baht 28.5 million rise in cash and cash equivalents, a 31.9 million baht increase in trade and other current receivables, and a Baht 45.1 million increase in inventories. In addition, property, plant, and equipment rose by Baht 59.7 million, primarily due to investment in the expansion of a new factory project aimed at increasing production capacity to support the growth of ready-to-eat (RTE) products.

As of March 31, 2025, the Company reported total liabilities of Baht 691.9 million, an increase of 21.3% from December 31, 2024. The rise was primarily due to a Baht 110.4 million increase in trade and other current payables, mainly related to raw materials and packaging purchases to support upcoming production and sales growth, as well as the ongoing investment in expansion projects as previously mentioned. Additionally, short-term borrowings from financial institutions increased by Baht 21.1 million to support working capital requirements.

The Company's shareholders' equity stood at Baht 1,433.5 million, an increase of 3.5%, driven by the rise in net profit.

Key Project Plans and Progress Updates

The Company has continued to invest in efficiency enhancement and production capacity expansion projects throughout 2025. The key projects include:

1. New Factory Construction Project – To increase production capacity in response to the growing demand in the ready-to-eat (RTE) product segment.
2. Raw Material Loading (RM Loading) Project – Aimed at improving process efficiency and reducing raw material receiving costs.

3. RTE Production Efficiency Enhancement Project – Focused on increasing automation by replacing manual labor with machinery to improve production efficiency.
4. Tetra Pak Packaging Project for Sweet Corn – Designed to elevate the Company’s capability in producing innovative packaged products, by incorporating modern machinery and automatic systems into the production process.

These initiatives are aligned with the Company’s strategic growth plan, aiming to support sales expansion, ensure sufficient production capacity to meet growing consumer demand, and improve overall production efficiency to consistently deliver high-quality products that meet established standards.

Sincerely yours,



Mr. Vira Nopwattanakorn
Director of Accounting and Finance
Sunsweet Public Company Limited