

No. MDA-EN 03/2025

13 Aug 2025

Subject: Management's Discussion and Analysis (MD&A) for Q2 2025 and for six-month period ended 30 June 2025 performance

To: President of The Stock Exchange of Thailand

Executive Summary

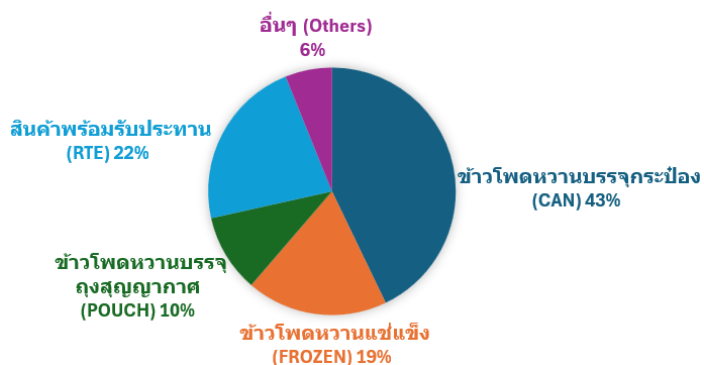
(Unit: Million THB)	2Q2568	1Q2568	2Q2567	% Inc. (Dec.)		6M2568	6M2567	% Inc. (Dec.)
				YoY	QoQ			YoY
Revenue from sales of goods	961.9	826.2	827.0	16.3%	16.4%	1,788.1	1,592.3	12.3%
Gross Profit	176.0	145.2	180.0	(2.2%)	21.2%	321.2	349.2	(8.0%)
Net Profit	86.8	48.0	65.7	32.0%	80.9%	134.7	120.6	11.7%
Earnings per share (Baht/share)	0.11	0.06	0.08			0.17	0.16	

- Revenue from sales of goods in 2Q2025 totaled Baht 961.9 million, representing an 16.3% increase compared to the same period last year and for the six-month period of 2025, revenue from sales of goods totaled Baht 1,788.1 million, marking a 12.3% increase year-over-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 2Q2025 amounted to Baht 176.0 million, representing a 2.2% decrease compared to the same quarter last year and for the six-month period of 2025, gross profit totaled Baht 321.2 million, decreased by 8.0% year-over-year. The decline was primarily due to the negative impact of the appreciation of the Thai Baht against the US dollar throughout the first half of the year, which adversely affected export revenue.
- Net profit for 2Q2025 was Baht 86.8 million, an increase of 32.0% compared to the same period last year and for the first half of 2025, net profit totaled Baht 134.7 million, representing a year-over-year increase of 11.7%. The improvement was mainly driven by gains from foreign exchange and derivative instruments. Additionally, financial costs declined due to a reduced reliance on short-term borrowings from financial institutions for working capital.

Financial Performance

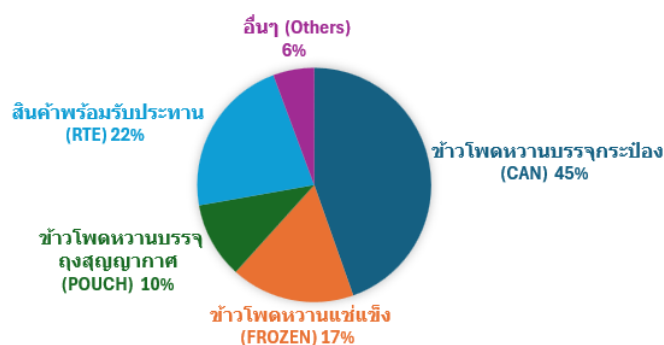
(Unit: Million THB)	2Q2568	1Q2568	2Q2567	% Inc. (Dec.)		6M2568	6M2567	% Inc. (Dec.) YoY
				YoY	QoQ			
Revenue from sale of goods	961.9	826.2	827.0	16.3%	16.4%	1,788.1	1,592.3	12.3%
Cost of sale of goods	(785.9)	(681.0)	(647.0)	21.5%	15.4%	(1,466.9)	(1,243.1)	18.0%
Gross profit	176.0	145.2	180.0	(2.2%)	21.2%	321.2	349.2	(8.0%)
Other income	3.4	2.5	2.6	33.5%	38.5%	5.9	6.1	(3.8%)
Net gain (loss) on exchange rate & on derivatives	27.0	3.5	(9.6)	382.2%	662.4%	30.6	(36.6)	183.6%
Selling expenses	(69.2)	(60.2)	(56.1)	23.3%	14.9%	(129.5)	(106.3)	21.8%
Administrative expenses	(34.4)	(31.3)	(35.9)	(4.1%)	9.8%	(65.8)	(67.1)	(2.0%)
Finance costs	(2.0)	(2.0)	(4.7)	(56.5%)	2.3%	(4.0)	(7.4)	(45.8%)
Profit before income tax	100.8	57.7	76.3	32.2%	74.9%	158.4	137.9	14.9%
Income tax	(14.0)	(9.7)	(10.6)	33.2%	45.2%	(23.7)	(17.3)	37.2%
Net profit	86.8	48.0	65.7	32.0%	80.9%	134.7	120.6	11.7%
Earnings per share (THB/share)	0.11	0.06	0.08			0.17	0.16	
Key Financial Ratios								
Gross Profit Margin (%)	18.3%	17.6%	21.8%	(3.5%)	0.7%	18.0%	21.9%	(3.9%)
Net Profit Margin (%)	8.7%	5.8%	7.9%	0.8%	2.9%	7.4%	7.6%	(0.2%)
EBITDA	127.9	84.3	106.3	20.3%	51.7%	212.2	194.4	9.1%
EBITDA Margin (%)	12.9%	10.1%	12.8%	0.1%	2.8%	11.6%	12.2%	(0.6%)
D/E (times)	0.5	0.5	0.6	(22.7%)	1.7%	0.5	0.6	(22.7%)
ROE (%)	24.2%	13.8%	19.2%	5.0%	10.4%	19.2%	18.0%	1.2%
ROA (%)	16.3%	9.5%	11.9%	4.4%	6.7%	13.2%	11.7%	1.5%
Cash Cycle (days)	47.9	59.2	86.7	(44.8%)	(19.2%)	54.4	76.6	(29.0%)

SALES BREAKDOWN (%) 2Q2568



	CAN	FROZEN	POUCH	RTE	OTHER	
	9	57	8	67	12	962
2Q2567						2Q2568

SALES BREAKDOWN (%) 6M2568



	CAN	FROZEN	POUCH	RTE	OTHER	
	6	51	15	114	10	1,788
6M2567						6M2568

Revenue from sale of goods

The Company reported revenue from sale of goods of Baht 961.9 million in 2Q2025, representing an 16.3% increase compared to the same period last year and for the six-month period of 2025, revenue from sale of goods totaled Baht 1,788.1 million, marking a 12.3% year-over-year growth. 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 existing customers who increased their orders of frozen sweet corn and vacuum-packed sweet corn (pouch), with strong performance in Asia and the Middle East. Domestic sales growth was supported by increased demand for frozen sweet corn and continued strong momentum in the ready-to-eat category. Key RTE products contributing to this growth included grilled japan sweet potato, boiled tiger peanut, whole grains, longan in syrup, 3 tone grilled japanese sweet potatoes, and ready-to-eat corn on the cob, which are widely distributed through convenience stores around Thailand.

Gross profit and Gross profit margin

Gross profit in 2Q2025 amounted to Baht 176.0 million, representing a 2.2% decrease compared to the same period last year and for the six-month period of 2025, gross profit totaled Baht 321.2 million, representing a decline of 8.0%. The primary factor contributing to this decrease was the negative impact of exchange rate volatility, particularly the appreciation of the Thai baht against the US dollar throughout the quarter and the first half of the year, which adversely affected export revenues. Nevertheless, production costs remained well controlled, even though raw materials intake was higher than in 2Q2024. The Company also continued to enhance manufacturing efficiency through ongoing improvement projects, such as installation of automation equipment for the packing line of small-sized canned products and expansion of production capacity for 5oz canned products.

The Company's gross profit margin for 1Q2025 was 18.3%, decrease by 3.5% from the same period last year. For the first half of 2025, the gross profit margin was 18.0%, a decline of 3.9% year-over-year, primarily due to the reasons mentioned above.

Net gain (loss) from foreign exchange and derivative instruments

In 2Q2025, the Company recorded a net gain from foreign exchange and derivative instruments of Baht 27.0 million, representing an increase of 382.2% compared to the same period last year and for the first half of 2025, the net gain totaled Baht 30.6 million, up 183.6% year-over-year. This gain was primarily driven by the appreciation of the Thai baht against the US dollar throughout the first six months of 2025, following the weakening of the US dollar due to global economic volatility. Nonetheless, the Company effectively managed foreign exchange risk through consistent use of forward exchange contracts, helping to mitigate the impact of currency fluctuations.

Selling Expenses

Selling expenses for 2Q2025 amounted to Baht 69.2 million, representing a 23.3% increase compared to the same period last year and for the six-month period of 2025, selling expenses totaled Baht 129.5 million, representing a 21.8% increase year-over-year. This rise was in line with the overall growth in revenue from sale of goods.

Finance Costs

Finance costs in 2Q2025 totaled Baht 2.0 million, a decrease of 56.5% compared to the same quarter last year and for the first half of 2025, finance costs amounted to Baht 4.0 million, down 45.8% year-over-year. This decrease was primarily due to a reduced reliance on 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 86.8 million in 2Q2025, representing an increase of 32.0% compared to the same period last year and for the six-month period of 2025, net profit amounted to Baht 134.7 million, up 11.7% year-over-year. The increase was mainly driven by gains from foreign exchange and derivative instruments. The Company effectively managed the impact of the continuously appreciating Thai baht throughout the first half of the year by implementing efficient hedging strategies. In addition, finance costs decreased due to a reduced reliance on short-term borrowings from financial institutions, as a result of effective working capital management.

The Company's net profit margin for 2Q2025 stood at 8.7%, an increase of 0.8% from the same quarter last year. For the first half of 2025, the net profit margin stood at 7.4%, a slight decrease of 0.2% compared to the same period last year, due to the factors mentioned above.

Key Financial Ratios

- **Liquidity**

The cash cycle in 2Q2025 decreased from 86.7 days to 47.9 days compared to the same period last year and for the six-month period of 2025, the cash cycle dropped from 76.6 days to 54.4 days year-over-year. This improvement was primarily due to lower average inventory levels during the quarter and the first half of 2025, reflecting a more balanced inventory position compared to the previous year. Additionally, the Company accelerated payments for raw materials as an incentive for farmers and suppliers to deliver raw materials to the factory consistently. The Company continues to maintain an appropriate balance between business growth and liquidity management.

- **Profitability**

Return on Equity (ROE) and Return on Assets (ROA) increased in line with the rise 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 30 June	As at 31 December	Inc. (Dec.)	
	2025	2024	Million THB	%
Total Assets	2,151.1	1,955.9	195.2	10.0%
Total Liabilities	708.2	570.3	137.9	24.2%
Total Equity	1,442.9	1,385.6	57.3	4.1%

As of June 30, 2025, the Company reported total assets of Baht 2,151.1 million, representing a 10.0% increase compared to the end of the previous year. The main contributing factors were a 19.9 million baht increase in cash and cash equivalents, a 64.3 million baht increase in trade and other receivables, and a 17.3 million baht increase in inventories. In addition, property, plant, and equipment rose by 77.6 million baht, primarily due to ongoing investment in the construction of a new factory to expand production capacity in support of the growing ready-to-eat (RTE) product segment.

The Company reported total liabilities of Baht 708.2 million, an increase of 24.2% compared to December 31, 2024. This increase was primarily due to a 124.9 million baht rise in trade and other payables, mainly related to raw materials and packaging purchases in preparation for increased production and sales in the upcoming period, as well as continued investment expansion as previously mentioned..

The Company's shareholders' equity stood at Baht 1,442.9 million, an increase of 4.1%, driven by the rise in net profit.

ESG Journey Progress

- The Company has made progress in importing machinery and initiating construction of a facility to support its new packaging innovation project for sweet corn packed in *Tetra Recart* cartons. This marks a significant collaboration with Tetra Pak (Thailand) Co., Ltd., a global leader in food processing and packaging solutions, catering to both domestic and international markets. *Tetra Recart*, a next-generation packaging innovation, is gaining popularity worldwide. It is a low-carbon packaging solution made from responsibly managed, renewable paperboard sourced from replanted forests. The format helps reduce carbon dioxide emissions and is fully recyclable-meeting the needs of modern consumers who prioritize both product quality and environmental sustainability.

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. Tetra Recart 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.
2. Investment project to install a Thermoform machine to enhance the production capacity of ready-to-eat (RTE) sweet potatoes. This initiative aims to increase manufacturing efficiency and better meet growing market demand.
3. Boiled tiger peanut Production Efficiency Enhancement Project - Improve efficiency and expand production capacity for ready-to-eat (RTE) boiled tiger peanut. This involves replacing manual labor with modern machinery and automated systems to increase output and support growing demand.

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