



KCG Corporation Public Company Limited



Management Discussion and Analysis (MD&A)

For the Second Quarter Ended 30 June 2025

Business Overview

- ✚ KCG Corporation Plc (the "Company" or "KCG") operates business in manufacturing and distributing products for consumption covering activities from research and development process to create production formula, procurement of raw materials, product manufacturing, distribution, and transportation to customers domestically, as well as exporting products to other countries. The Company is also an importer and distributor of leading products from overseas to Thailand. The Company's products can be categorized into three main groups:
 - (1) Dairy products, consisting of butter, cheese, and other dairy products.
 - (2) Food and Bakery Ingredients and other products (FBI), consisting of food ingredients, packaged foods, frozen foods, bakery ingredients, food additives, concentrated fruit juices, and bakery and cooking equipment.
 - (3) Biscuits, consisting of cookies, crackers, and wafers.
- ✚ The Company is the market leader in both butter and cheese products, with the No.1 market share of 55.0% for butter, and the No. 1 market share of 31.6% for cheese. The Company is also ranked in the top 5 market share for FBI and biscuits. The Company's brands include "Allowrie", "Imperial", "DAIRYGOLD", "Violet", "Premio", "SUNQUICK", etc.
- ✚ The Company was listed and started trading on the Stock Exchange of Thailand (SET) in the Agro & Food Industry group, Food & Beverage sector, under the ticker symbol "KCG" on 3 August 2023.

Summary of the Operating Results for Q2/2025 and 6M/2025

Operating Results (Unit: THB Million, %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%
Other income	9.5	8.9	5.4	-42.4%	-38.9%	21.7	10.9	-49.6%
Total revenue	1,698.4	2,045.4	1,901.6	+12.0%	-7.0%	3,496.0	3,943.6	+12.8%
Cost of sales	1,151.3	1,403.9	1,318.0	+14.5%	-6.1%	2,391.8	2,721.9	+13.8%
Gross profit	537.6	632.7	578.2	+7.6%	-8.6%	1,082.6	1,210.8	+11.8%
Selling and distribution expenses	274.5	321.6	298.7	+8.8%	-7.1%	548.0	620.3	+13.2%
Administrative expenses	140.9	153.7	150.6	+6.9%	-2.0%	298.1	300.9	+0.9%
SG&A	415.3	475.4	449.3	+8.2%	-5.5%	846.1	921.2	+8.9%
Impairment loss on machinery and equipment	0.0	0.0	0.0	-	-	21.1	0.0	-100.0%
Finance costs	11.5	11.8	10.6	-7.4%	-9.7%	25.8	22.4	-13.0%
Profit before income tax expense	120.2	154.4	123.7	+2.9%	-19.9%	211.3	278.1	+31.6%
Income tax expense	25.7	32.3	24.8	-3.5%	-23.3%	45.1	57.0	+26.3%
Net profit	94.5	122.2	99.0	+4.7%	-19.0%	166.2	221.1	+33.1%
EBITDA	182.3	222.3	191.6	+5.1%	-13.8%	339.0	413.8	+22.1%
Gross profit margin (%)	31.8%	31.1%	30.5%	-1.3%	-0.6%	31.2%	30.8%	-0.4%
SG&A to sales (%)	24.6%	23.3%	23.7%	-0.9%	+0.4%	24.4%	23.4%	-0.9%
Net profit margin (%)	5.6%	6.0%	5.2%	-0.4%	-0.8%	4.8%	5.6%	+0.9%
EBITDA margin (%)	10.7%	10.9%	10.1%	-0.7%	-0.8%	9.7%	10.5%	+0.8%

Q2/2025 vs Q2/2024 (YoY)

- ✦ In Q2/2025, the Company recorded net profit of THB 99.0 million, increased by 4.7% YoY, with the following key matters:
 - ✦ Sales increased by 12.3% YoY, with good domestic market response across both B2B (business-to-business) and B2C (business-to-consumer) channels, driven by dairy products and food and bakery ingredients (FBI).
 - ✦ Gross profit margin decreased by 1.3% YoY, mainly due to an increase in the overall average cost of raw materials and a decline in the capacity utilization rate. The lower utilization was because, in Q2/2024, the Company increased the production volume of butter products prior to the temporary production halt during the production line revamp. However, the Company continued to have effective production cost management and improved production efficiency.
 - ✦ SG&A increased by 8.2% YoY, following the higher sales. Increased expenditure mainly came from (1) advertising and promotion (A&P); (2) transportation; (3) depreciation from KCG Logistics Park and solar rooftops; (4) utility expenses; and (5) employee expenses from a merit increase. %SG&A to sales in Q2/2025 was 23.7%, decreased from 24.6% in Q2/2024 supported by increased sales and effective cost management, including benefits from KCG Logistics Park and solar rooftops.
 - ✦ Finance costs decreased by 7.4% YoY, supported by lower interest rates. At the end of Q2/2025, loans from financial institutions were THB 1,464.8 million, increased by THB 222.9 million or 17.9% YoY from THB 1,241.9 million at the end of Q2/2024. The increased loans were primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.
 - ✦ Income tax expense decreased by 3.5% YoY supported by lower effective tax rate, despite the higher profit before income tax expense.

Q2/2025 vs Q1/2025 (QoQ)

- ✦ In Q2/2025, the Company recorded net profit of THB 99.0 million, decreased by 19.0% QoQ, with the following key matters:
 - ✦ Sales decreased by 6.9% QoQ, following the low sales season as Q2 is usually the lowest sales period of the year.
 - ✦ Gross profit margin decreased by 0.6% QoQ, mainly due to the lower capacity utilization rate. The overall average cost of raw materials was almost stable QoQ.
 - ✦ SG&A decreased by 5.5% QoQ, following the lower sales. Decreased expenditure mainly came from: (1) A&P; (2) transportation; and (3) employee expenses. %SG&A to sales in Q2/2025 was 23.7%, an increase from 23.3% in Q1/2025, mainly due to lower sales.
 - ✦ Finance costs decreased by 9.7% QoQ, supported by lower interest rates. At the end of Q2/2025, loans from financial institutions were THB 1,464.8 million, increased by THB 236.6 million or 19.3% QoQ from THB 1,228.1 million at the end of Q1/2025. The increased loans were primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.
 - ✦ Income tax expense decreased by 23.3% QoQ following the lower profit before income tax expense.

6M/2025 vs 6M/2024 (YoY)

- ✦ In 6M/2025, the Company recorded net profit of THB 221.1 million, increased by 33.1% YoY, with the following key matters:
 - ✦ Sales increased by 13.2% YoY, supported by growth from every sales channel, driven by dairy products and food and bakery ingredients (FBI).
 - ✦ Gross profit margin decreased by 0.4% YoY, mainly due to an increase in the overall average cost of raw materials and a decline in the capacity utilization rate. Nevertheless, the Company continued to have effective production cost management and improved production efficiency.
 - ✦ SG&A increased by 8.9% YoY, following the higher sales. Increased expenditure mainly came from (1) A&P; (2) transportation; (3) depreciation from KCG Logistics Park and solar rooftops; (4) utility expenses; and (5) employee expenses from a merit increase. %SG&A to sales in 6M/2025 was 23.4%, decreased from 24.4% in 6M/2024 supported by increased sales and effective cost management, including benefits from KCG Logistics Park and solar rooftops.
 - ✦ Finance costs decreased by 13.0% YoY, supported by lower interest rates, despite an increase in loans from financial institutions due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.
 - ✦ Income tax expense increased by 26.3% YoY following the higher profit before income tax expense.
 - ✦ The Company did not incur an impairment loss on machinery and equipment as occurred in the same period last year, totaling THB 21.1 million resulted from machinery upgrades, production process improvements, and factory re-layouts aimed at increasing production capacity, enhancing production efficiency, and reducing production cost.

Major Development and Outlook

The United States has imposed reciprocal tariffs on goods from Thailand at a rate of 19%, effective on 7 August 2025. This rate is comparable to those applied to other countries in the region, so it is expected that Thailand will be able to maintain its competitiveness. However, the Thai economy in the second half of 2025 may continue to face risks, such as a slowdown in exports, investment, and private consumption, as well as the Thailand-Cambodia border dispute situation. Additionally, uncertainties arising from trade policies of major economies and geopolitical conflicts may affect the growth of the Thai economy in the foreseeable future.

In Q2/2025, the Company's sales continued to grow steadily at a double-digit rate, maintaining the momentum since Q4/2024 compared to the same period last year. Although there is still some uncertainty arising from reciprocal tariffs, the impact on the Company is expected to be relatively limited since the Company does not export products to the United States. On the contrary, the Company may benefit from opportunities to import raw materials or finished goods from the U.S., should tariffs on such imports be reduced to economically viable levels, thereby enhancing the Company's sourcing and competitiveness.

The average cost of raw materials in the first half of 2025 increased significantly compared to the same period last year. However, due to effective cost management and ongoing improvements in production efficiency, the Company's gross profit margin declined less than the impact from raw material cost increases. Going forward, raw material costs are expected to remain relatively stable in the second half of 2025, both in comparison with the first half of the year and the second half of 2024. Furthermore, the Company has gradually purchased some raw materials through year-end, aimed at mitigating potential impacts of volatility stemming from the U.S. reciprocal tariff measures.

The Company's %SG&A to Sales in the first half of 2025 significantly decreased compared to the same period last year, due to strong sales growth, continuous improvement of operations and efficient expense management, as well as support from the KCG Logistics Park distribution and warehouse center, and the solar rooftops, which have been fully utilized since late 2024. The Company remains committed to continuously improving operational processes and managing expenses efficiently going forward.

Sales Structure

Sales by Product Category (Unit: THB Million)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Dairy products	1,022.8	1,223.5	1,155.2	+12.9%	-5.6%	2,109.0	2,378.7	+12.8%
Foods & Bakery Ingredients and others (FBI)	486.6	633.2	584.8	+20.2%	-7.6%	1,001.8	1,218.1	+21.6%
Biscuits	179.6	179.8	156.2	-13.0%	-13.1%	363.6	336.0	-7.6%
Total Sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%
%Sales by Product Category (Unit: %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Dairy products	60.6%	60.1%	60.9%	+0.4%	+0.8%	60.7%	60.5%	-0.2%
Foods & Bakery Ingredients and others (FBI)	28.8%	31.1%	30.8%	+2.0%	-0.3%	28.8%	31.0%	+2.1%
Biscuits	10.6%	8.8%	8.2%	-2.4%	-0.6%	10.5%	8.5%	-1.9%
Total	100.0%	100.0%	100.0%			100.0%	100.0%	

Sales by Channel (Unit: THB Million)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
B2B	730.5	881.4	887.7	+21.5%	+0.7%	1,459.3	1,769.1	+21.2%
B2C	864.4	1,077.7	924.1	+6.9%	-14.2%	1,856.5	2,001.8	+7.8%
Export	94.0	77.4	84.4	-10.2%	+9.0%	158.5	161.8	+2.1%
Total Sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%
%Sales by Channel (Unit: %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
B2B	43.3%	43.3%	46.8%	+3.6%	+3.5%	42.0%	45.0%	+3.0%
B2C	51.2%	52.9%	48.7%	-2.4%	-4.2%	53.4%	50.9%	-2.5%
Export	5.6%	3.8%	4.5%	-1.1%	+0.6%	4.6%	4.1%	-0.4%
Total	100.0%	100.0%	100.0%			100.0%	100.0%	

Sales by Operation (Unit: THB Million)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Own-manufacturing products	1,250.9	1,410.5	1,318.8	+5.4%	-6.5%	2,552.2	2,729.2	+6.9%
Trading products	438.1	626.1	577.5	+31.8%	-7.8%	922.2	1,203.5	+30.5%
Total Sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%
%Sales by Operation (Unit: %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Own-manufacturing products	74.1%	69.3%	69.5%	-4.5%	+0.3%	73.5%	69.4%	-4.1%
Trading products	25.9%	30.7%	30.5%	+4.5%	-0.3%	26.5%	30.6%	+4.1%
Total	100.0%	100.0%	100.0%			100.0%	100.0%	

Note: Numbers may not align with the calculation by one decimal point due to rounding of figures.

Operating Results

1. Revenue from sales

Operating Results (Unit: THB Million)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Revenue from sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%

Q2/2025 vs Q2/2024 (YoY)

- In Q2/2025, the Company recorded total sales of THB 1,896.2 million, increased by THB 207.3 million or 12.3% YoY, with good domestic market response across both B2B (business-to-business) and B2C (business-to-consumer) channels, driven by sales growth in dairy products and food and bakery ingredients (FBI).

Q2/2025 vs Q1/2025 (QoQ)

- In Q2/2025, the Company recorded total sales of THB 1,896.2 million, decreased by THB 140.3 million or 6.9% QoQ, following the low sales season as Q2 is usually the lowest sales period of the year.

6M/2025 vs 6M/2024 (YoY)

- In 6M/2025, the Company recorded total sales of THB 3,932.7 million, increased by THB 458.3 million or 13.2% YoY, supported by growth from every sales channel across both domestic B2B and B2C channels and export, driven by sales growth in dairy products and food and bakery ingredients (FBI).

2. Cost of Sales and Gross Profit

Operating Results (Unit: THB Million, %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%
Cost of sales	1,151.3	1,403.9	1,318.0	+14.5%	-6.1%	2,391.8	2,721.9	+13.8%
Gross profit	537.6	632.7	578.2	+7.6%	-8.6%	1,082.6	1,210.8	+11.8%
Gross profit margin (%)	31.8%	31.1%	30.5%	-1.3%	-0.6%	31.2%	30.8%	-0.4%

Q2/2025 vs Q2/2024 (YoY)

- In Q2/2025, the Company recorded cost of sales of 1,318.0 million, increased by THB 166.7 million or 14.5% YoY, following the higher sales.
- Gross profit in Q2/2025 was THB 578.2 million, increased by THB 40.6 million or 7.6% YoY, following the higher sales. Gross profit margin in Q2/2025 was 30.5%, decreased from 31.8% in Q2/2024, mainly due to an increase in the overall average cost of raw materials and a decline in the capacity utilization rate. The lower utilization was because, in Q2/2024, the Company increased its butter product inventory prior to a temporary production halt during the production line revamp. Nevertheless, the Company continued to have effective production cost management and improved production efficiency.

Q2/2025 vs Q1/2025 (QoQ)

- In Q2/2025, the Company recorded cost of sales of THB 1,318.0 million, decreased by THB 85.8 million or 6.1% QoQ, following the low sales season as Q2 is usually the lowest sales period of the year.
- Gross profit in Q2/2025 was THB 578.2 million, decreased by THB 54.5 million or 8.6% QoQ following the lower sales. Gross profit margin in Q2/2025 was 30.5%, decreased from 31.1% in Q1/2025, mainly due to the lower capacity utilization rate. The overall average cost of raw materials was almost stable QoQ.

6M/2025 vs 6M/2024 (YoY)

- In 6M/2025, the Company recorded cost of sales of 2,721.9 million, increased by THB 330.1 million or 13.8% YoY, following the higher sales.
- Gross profit in 6M/2025 was THB 1,210.8 million, increased by THB 128.2 million or 11.8% YoY, following the higher sales. Gross profit margin in 6M/2025 was 30.8%, decreased from 31.2% in 6M/2024, mainly due to an increase in the overall average cost of raw materials and a decline in the capacity utilization rate. Nevertheless, the Company continued to have effective production cost management and improved production efficiency.

3. Selling, General and Administrative Expenses (SG&A)

Operating Results (Unit: THB Million, %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Sales	1,688.9	2,036.5	1,896.2	+12.3%	-6.9%	3,474.4	3,932.7	+13.2%
Selling and distribution expenses	274.5	321.6	298.7	+8.8%	-7.1%	548.0	620.3	+13.2%
Administrative expenses	140.9	153.7	150.6	+6.9%	-2.0%	298.1	300.9	+0.9%
SG&A	415.3	475.4	449.3	+8.2%	-5.5%	846.1	921.2	+8.9%
SG&A to sales (%)	24.6%	23.3%	23.7%	-0.9%	+0.4%	24.4%	23.4%	-0.9%

Q2/2025 vs Q2/2024 (YoY)

- In Q2/2025, the Company recorded selling, general and administrative expenses (SG&A) of THB 449.3 million, increased by THB 33.9 million or 8.2% YoY, following the higher sales. Increased expenditure mainly came from (1) advertising and promotion (A&P); (2) transportation; (3) depreciation from KCG Logistics Park and solar rooftops; (4) utility expenses; and (5) employee expenses from a merit increase.
- %SG&A to sales in Q2/2025 was 23.7%, a decrease from 24.6% in Q2/2024, supported by increased sales and effective cost management, including benefits from KCG Logistics Park and the solar rooftops.

Q2/2025 vs Q1/2025 (QoQ)

- In Q2/2025, the Company recorded SG&A of THB 449.3 million, decreased by THB 26.1 million or 5.5% QoQ, following a decline in sales during the low season. Decreased expenditure mainly came from: (1) advertising and promotion (A&P); (2) transportation; and (3) employee expenses.
- %SG&A to sales in Q2/2025 was 23.7%, an increase from 23.3% in Q1/2025, mainly due to lower sales. However, the Company continued to improve operational efficiency and maintain effective cost management.

6M/2025 vs 6M/2024 (YoY)

- In 6M/2025, the Company recorded SG&A of THB 921.2 million, increased by THB 75.1 million or 8.9% YoY, following the higher sales. Increased expenditure mainly came from (1) advertising and promotion (A&P); (2) transportation; (3) depreciation from KCG Logistics Park and solar rooftops; (4) utility expenses; and (5) employee expenses from a merit increase.
- %SG&A to sales in 6M/2025 was 23.4%, a decrease from 24.4% in 6M/2024, supported by increased sales and effective cost management, including benefits from KCG Logistics Park and the solar rooftops.

4. Finance Costs

Operating Results (Unit: THB Million)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Finance costs	11.5	11.8	10.6	-7.4%	-9.7%	25.8	22.4	-13.0%
Total loans from financial institutions*	1,241.9	1,228.1	1,464.8	+17.9%	+19.3%	1,241.9	1,464.8	+17.9%
Total interest-bearing debts*	1,356.1	1,336.6	1,566.8	+15.5%	+17.2%	1,356.1	1,566.8	+15.5%

* 6M/2024 and 6M/2025 Total loans from financial institutions and total interest-bearing debts were the same information as in the Q2/2024 and Q2/2025 financial statements, respectively.

Q2/2025 vs Q2/2024 (YoY)

- In Q2/2025, the Company recorded finance costs of THB 10.6 million, decreased by THB 0.9 million or 7.4% YoY, supported by lower interest rates, despite an increase in borrowings.
- At the end of Q2/2025, loans from financial institutions were THB 1,464.8 million, increased by THB 222.9 million or 17.9% YoY from THB 1,241.9 million at the end of Q2/2024. The increased loans were primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.

Q2/2025 vs Q1/2025 (QoQ)

- In Q2/2025, the Company recorded finance costs of THB 10.6 million, decreased by THB 1.1 million or 9.7% QoQ, supported by lower interest rates, despite an increase in borrowings.
- At the end of Q2/2025, loans from financial institutions were THB 1,464.8 million, increased by THB 236.6 million or 19.3% QoQ from THB 1,228.1 million at the end of Q1/2025. The increased loans were primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.

6M/2025 vs 6M/2024 (YoY)

- In 6M/2025, the Company recorded finance costs of THB 22.4 million, decreased by THB 3.3 million or 13.0% YoY, supported by lower interest rates, despite an increase in loans from financial institutions, primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.

5. Income tax expense

Operating Results (Unit: THB Million, %)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Profit before income tax expense	120.2	154.4	123.7	+2.9%	-19.9%	211.3	278.1	+31.6%
Income tax expense	25.7	32.3	24.8	-3.5%	-23.3%	45.1	57.0	+26.3%
Effective tax rate (%)	21.3%	20.9%	20.0%	-1.3%	-0.9%	21.4%	20.5%	-0.9%

Q2/2025 vs Q2/2024 (YoY)

- In Q2/2025, the Company recorded income tax expense of THB 24.8 million, decreased by THB 0.9 million or 3.5% YoY supported by lower effective tax rate, despite the higher profit before income tax expense.

Q2/2025 vs Q1/2025 (QoQ)

- In Q2/2025, the Company recorded income tax expense of THB 24.8 million, decreased by THB 7.5 million or 23.3% QoQ following the lower profit before income tax expense.

6M/2025 vs 6M/2024 (YoY)

- In 6M/2025, the Company recorded income tax expense of THB 57.0 million, increased by THB 11.9 million or 26.3% YoY following the higher profit before income tax expense.

6. Net Profit

Operating Results (Unit: THB Million)	Q2/2024	Q1/2025	Q2/2025	Change		6M/2024	6M/2025	Change
				%YoY	%QoQ			%YoY
Total revenue	1,698.4	2,045.4	1,901.6	+12.0%	-7.0%	3,496.0	3,943.6	+12.8%
Net profit	94.5	122.2	99.0	+4.7%	-19.0%	166.2	221.1	+33.1%
Net profit margin (%)	5.6%	6.0%	5.2%	-0.4%	-0.8%	4.8%	5.6%	+0.9%

Q2/2025 vs Q2/2024 (YoY)

- In Q2/2025, the Company recorded net profit of THB 99.0 million, increased by THB 4.4 million or 4.7% YoY, supported by the following reasons:
 - Total revenue increased by 12.0% YoY, mainly supported by sales growth of 12.3% YoY, with good domestic market response across both B2B and B2C channels, driven by sales growth in dairy products and food and bakery ingredients (FBI).
 - %SG&A to sales decreased by 0.9% YoY, supported by increased sales and effective cost management, including benefits from KCG Logistics Park and the solar rooftops.
 - Finance costs decreased by 7.4% YoY, supported by lower interest rates, despite the increased loans from financial institutions, primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.
 - Income tax expense decreased by 3.5% YoY supported by lower effective tax rate, despite the higher profit before income tax expense.

Q2/2025 vs Q1/2025 (QoQ)

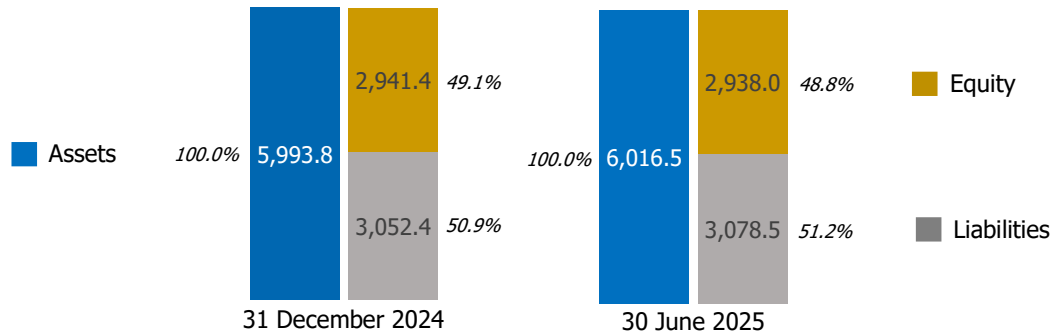
- In Q2/2025, the Company recorded net profit of THB 99.0 million, decreased by THB 23.2 million or 19.0% QoQ, mainly due to the following reasons:
 - Total revenue decreased by 7.0% QoQ, mainly due to 6.9% sales drop QoQ, following the low sales season, as Q2 is usually the lowest sales period of the year.
 - Gross profit margin decreased by 0.6% QoQ, mainly due to the lower capacity utilization rate. The overall average cost of raw materials was almost stable QoQ.

6M/2025 vs 6M/2024 (YoY)

- In 6M/2025, the Company recorded net profit of THB 221.1 million, increased by THB 55.0 million or 33.1% YoY, supported by the following reasons:
 - Total revenue increased by 12.8% YoY, mainly supported by sales growth of 13.2% YoY, with growth across both domestic B2B and B2C channels and export, driven by sales growth in dairy products and food and bakery ingredients (FBI).
 - %SG&A to sales decreased by 0.9% YoY, supported by increased sales and effective cost management, including benefits from KCG Logistics Park and the solar rooftops.
 - Finance costs decreased by 13.0% YoY, supported by lower interest rates, despite the increased loans from financial institutions, primarily due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.
 - Effective tax rate decreased by 0.9% YoY
 - The Company did not incur an impairment loss on machinery and equipment as occurred in the same period last year, totaling THB 21.1 million resulted from machinery upgrades, production process improvements, and factory re-layouts aimed at increasing production capacity, enhancing production efficiency, and reducing production cost.

Statement of Financial Position

Unit: THB million, %



Assets

- As at 30 June 2025, the Company had total assets of THB 6,016.5 million, increased by THB 22.8 million or 0.4% from THB 5,993.8 million at the end of 2024, resulting from decreases in: (1) inventories; (2) other current financial assets; (3) cash and cash equivalents; (4) property, plant and equipment; and (5) intangible assets.
- The Company had inventories as at 30 June 2025 of THB 1,766.0 million, increased by THB 591.8 million or 50.4% from THB 1,174.3 million at the end of 2024, and also increased by THB 280.9 million from THB 1,485.1 million at the end of Q1/2025, mainly due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.

Liabilities

- As at 30 June 2025, the Company had total liabilities of THB 3,078.5 million, increased by THB 26.1 million or 0.9% from THB 3,052.4 million at the end of 2024. The increase was mainly due to (1) trade and other current payables; (2) deferred tax liabilities; (3) other current financial liabilities; and (4) non-current provision for employee benefits.
- The Company had loans from financial institutions as at 30 June 2025 of THB 1,464.8 million, decreased by THB 58.3 million or 3.8% from THB 1,523.1 million at the end of 2024. However, loans from financial institutions increased by THB 236.6 million or 19.3% from THB 1,228.1 million at the end of Q1/2025, mainly due to the Company's gradual increase in advance purchases of some raw materials for production through the end of the year, aimed at mitigating potential impacts from volatility stemming from the U.S. reciprocal tariff measures.

Equity

- As at 30 June 2025, the Company had equity attributable to owners of the parent of THB 2,938.0 million, decreased by THB 3.4 million or 0.1% from THB 2,941.4 million at the end of 2024, mainly resulting from (1) an increase in retained earnings, driven by the Company's net profit in 6M/2025 of THB 221.1 million, deducted by dividends for the operating results of 2024 paid to shareholders totaling THB 223.3 million; and (2) a decrease in other components of shareholders' equity of THB 1.0 million.

Statement of Cash Flows

Statement of Cash Flows	6M/2024	6M//2025	Change
(Unit: THB Million, %)			%YoY
Profit from operating activities before changes in operating assets and liabilities	389.3	393.8	+1.2%
Cash flow from changes in operating assets and liabilities	420.3	145.7	-65.3%
Net cash flows from operating activities	809.6	539.5	-33.4%
Cash paid for acquisitions of property, plant and equipment	(187.1)	(98.7)	+47.3%
Cash paid for acquisitions of intangible assets	(7.4)	(11.7)	-58.3%
Cash received (paid for) other investing activities	2.1	(54.9)	-2702.4%
Net cash used in investing activities	(192.4)	(165.3)	+14.1%
Decrease in bank overdrafts and short-term loans from banks	(592.8)	(52.8)	+91.1%
Cash paid for long-term loans from banks	(3.1)	(5.6)	-79.4%
Cash paid for principal portion of lease liabilities	(27.5)	(30.0)	-9.0%
Interest paid	(27.3)	(23.2)	+15.1%
Dividends paid	(163.5)	(223.3)	-36.6%
Net cash flows used in financing activities	(814.2)	(334.8)	+58.9%
Net increase (decrease) in cash and cash equivalents	(197.1)	39.4	+120.0%
Cash and cash equivalents at the beginning of period	334.5	64.0	-80.9%
Cash and cash equivalents at the end of period	137.4	103.4	-24.8%

In 6M/2025, the Company recorded ending cash and cash equivalents of THB 103.4 million, a decrease of THB 34.1 million or 24.8% from THB 137.4 million in 6M/2024, with details as follows:

- Net cash received from operating activities of THB 539.5 million, consisting of (1) cash inflows from operating activities before changes in operating assets and liabilities of THB 393.8 million; and (2) cash inflows from net change in operating assets and liabilities of THB 145.7 million, mainly due to the decrease in trade and other receivables and the increase in trade and other payables.
- Net cash used in investing activities of THB 165.3 million, consisting of (1) cash paid for acquisitions of property, plant and equipment of THB 98.7 million; (2) cash paid for acquisitions of intangible assets of THB 11.7 million; (3) cash paid for other investing activities of THB 54.9 million.
- Net cash used in financing activities of THB 334.8 million, consisting of (1) decrease in bank overdrafts and short-term loans from banks of THB 52.8 million; (2) cash paid for long-term loans from banks of THB 5.6 million; (3) cash paid for principal portion of lease liabilities of THB 30.0 million; (4) interest paid of THB 23.2 million; and (5) dividends paid of THB 223.3 million.

Key Financial Ratios

Financial Ratios	For the six-month period ended 30 June	
	2024	2025
Liquidity Ratios		
Current Ratio (x)	1.1	1.1
Quick Ratio (x)	0.5	0.5
Activity Ratios		
Average Collection Period (Days)	53	51
Average Inventory Period (Days)	97	97
Average Payment Period (Days)	70	71
Cash Cycle (Days)	80	77
Total Asset Turnover (x)	1.4	1.5
Fixed Asset Turnover (x)	3.1	3.1
Leverage Ratios		
D/E (x)	1.0	1.0
IBD/E (x)	0.5	0.5
Interest Coverage Ratio (x)	9.2	13.4
Profitability Ratios		
Gross Profit Margin (%)	31.2%	30.8%
EBIT Margin (%)	6.8%	7.6%
Net Profit Margin (%)	4.8%	5.6%
EBITDA Margin (%)	9.7%	10.5%
Return on Asset (%)	10.0%	11.1%
Return on Equity (%)	18.8%	16.3%

- ✚ Current Ratio = Total current assets / Total current liabilities
- ✚ Quick Ratio = (Cash and cash equivalents + Trade and other receivables + Other current financial assets) / Total current liabilities
- ✚ Average Collection Period = $365 / [\text{Sales} / \text{Average trade and other receivables}]$
- ✚ Average Inventory Period = $365 / [\text{Cost of sales} / \text{Average inventories}]$
- ✚ Average Payment Period = $365 / [\text{Cost of sales} / \text{Average trade and other payables}]$
- ✚ Cash Cycle Days = Average Collection Period + Average Inventory Period - Average Payment Period
- ✚ Total Asset Turnover = Total revenue / Average total assets
- ✚ Fixed Asset Turnover = Total revenue / (Property, plant and equipment + Right-of-use assets) (Average)
- ✚ Debt to Equity Ratio (D/E) = Total liabilities / Equity attributable to owners of the Company
- ✚ Interest-bearing Debt to Equity Ratio (IBD/E) = Interest-bearing Debt / Equity attributable to owners of the Company
- ✚ Interest Coverage Ratio = Earnings before interest and tax / Finance costs
- ✚ Gross Profit Margin = $(\text{Sales} - \text{Cost of sales}) / \text{Sales}$
- ✚ EBIT Margin = Earnings before interest and taxes / Total revenue
- ✚ Net Profit Margin = Profit attributable to equity holders of the Company / Total revenue
- ✚ EBITDA Margin = Earnings before interest, taxes, depreciation, and amortization / Total revenue
- ✚ Return on Assets (ROA) = Earnings before interest and taxes / Average total assets
- ✚ Return on Equity (ROE) = Profit attributable to equity holders of the Company / Average equity attributable to owners of the Company

Sustainable Development Operations

The Company has elevated sustainable development as one of its core strategies. It conducts its business in accordance with good corporate governance principles, while creating long-term shared value for all stakeholder groups. Driven by a strong commitment to sustainable and stable business growth, the Company has received notable sustainability-related awards from various organizations in the first half of 2025, as follows:

1. Selected as one of the ESG100 companies by Thaipat Institute, recognizing outstanding performance in Environmental, Social, and Governance (ESG) practices for the second consecutive year.
2. Received a perfect score of 100 points in the 2025 Annual General Shareholders' Meeting (AGM) assessment by Thai Investors Association for the second consecutive year.
3. The Company's products received the Superior Taste Awards, an internationally recognized symbol of excellence in taste, presented by the International Taste Institute in Brussels, Belgium, reflecting the Company's dedication to product quality, consumer health, and satisfaction. Awarded products included:
 -  Superior Taste Award (3 Stars): Imperial Wafer Coconut Flavor
 -  Superior Taste Award (2 Stars): Imperial Gold Selection Belgium Danish Butter Cookies and Bakers' Choice Almond Cracker.
4. Received HALAL BPJPH certification (Halal Indonesia), which is the mandatory Halal standard enforced in Indonesia. This certification enables the export of the Company's butter and cheese products to Indonesia and reflects the Company's commitment to food safety standards and respect for cultural and religious diversity.