



## S. Khonkaen Foods PCL. and its subsidiaries ("Group")

### Management Discussion and Analysis For period ended 31 December 2025

#### Business Overview

Statements of Income (Consolidated) January – December	Quarter 4/2025		Quarter 4/2024		Change (%YOY)
	(THB Mn.)	(%)	(THB Mn.)	(%)	
Revenue from Sales	3,497.1	100.0%	3,341.3	100.0%	4.7%
Cost of Sales	(2,582.9)	-73.9%	(2,481.0)	-74.3%	4.1%
<b>Gross Margin</b>	<b>914.2</b>	<b>26.1%</b>	<b>860.3</b>	<b>25.7%</b>	<b>6.3%</b>
Selling and Distribution Expenses	(420.0)	-12.0%	(371.0)	-11.1%	13.2%
Administrative Expenses	(358.7)	-10.3%	(345.1)	-10.3%	3.9%
Loss from rental and service	(3.1)	-0.1%	(5.8)	-0.2%	-46.7%
Gain (Loss) on changes in fair value less cost to sale of biological assets	7.5	0.2%	17.2	0.5%	-56.4%
Other income	44.3	1.3%	31.8	1.0%	39.3%
Other expense	-	0.0%	(1.2)	0.0%	-100.0%
<b>EBIT</b>	<b>184.2</b>	<b>5.3%</b>	<b>186.2</b>	<b>5.6%</b>	<b>-1.1%</b>
Financial Cost	(36.8)	-1.1%	(40.4)	-1.2%	-8.9%
Tax Expenses	(24.8)	-0.7%	(29.9)	-0.9%	-17.3%
<b>Profit/(Loss)</b>	<b>122.6</b>	<b>3.5%</b>	<b>115.9</b>	<b>3.5%</b>	<b>5.8%</b>
Equity holders of the Company	135.2	3.9%	133.5	4.0%	1.3%
Earnings per Share (THB/Share)	0.43		0.41		

Statement of Income (Consolidated) October – December	Quarter 4/2025		Quarter 4/2024		Change (%YOY)
	(THB Mn.)	(%)	(THB Mn.)	(%)	
Revenue from Sales	868.3	100.0%	904.4	100.0%	-4.0%
Cost of Sales	(634.2)	-73.0%	(673.3)	-74.4%	-5.8%
<b>Gross Margin</b>	<b>234.1</b>	<b>27.0%</b>	<b>231.1</b>	<b>25.6%</b>	<b>1.3%</b>
Selling and Distribution Expenses	(109.0)	-12.6%	(89.9)	-9.9%	21.3%
Administrative Expenses	(90.9)	-10.5%	(102.4)	-11.3%	-11.2%
Loss from rental and service	(0.1)	0.0%	(1.4)	-0.2%	-89.8%
Gain (Loss) on changes in fair value less cost to sale of biological assets	30.5	3.5%	2.2	0.2%	1293.1%
Other income	7.8	0.9%	7.1	0.8%	10.5%
Other expense	-	0.0%	(0.5)	0.0%	-100.0%
<b>EBIT</b>	<b>72.3</b>	<b>8.3%</b>	<b>46.3</b>	<b>5.1%</b>	<b>56.2%</b>
Financial Cost	(8.4)	-1.0%	(11.4)	-1.3%	-26.3%
Tax Expenses	(13.7)	-1.6%	(9.0)	-1.0%	51.7%
<b>Profit/(Loss)</b>	<b>50.2</b>	<b>5.8%</b>	<b>25.8</b>	<b>2.9%</b>	<b>94.3%</b>
Equity holders of the Company	47.4	5.5%	31.3	3.5%	51.3%
Earnings per Share (THB/Share)	0.15		0.10		

**Revenue :**

The Group has revenue from sales THB 868.3 million in Q4/2025, a decrease of 4.0 percent compared to the same quarter of previous year (an increase of 5.5 percent compared to Q3/2025). The Group has accumulated revenue from sales for 12 months amounting to THB 3,497.1 million, an increase of 4.7 percent compared to the same period of previous year.

The majority of the Group's sales decreased in Q4/2025, primarily due to a decrease in market swine prices compared to the same period last year. In addition, sales through the Modern Trade channel were impacted by the government stimulus measure, the "Co-payment Scheme (Khon La Khrueng)," which altered consumer spending behavior and led to a slowdown in purchases through the Modern Trade channel.

**Gross profit :**

The Group has gross profit of THB 234.1 million in Q4/2025, which accounted for 27.0% of revenue from sales. The gross profit increased by 1.3 percent compared to the same quarter of previous year (increased by 12.6 percent compared to Q3/2025). The Group has accumulated gross profit for 12 months amounted to THB 914.2 million, which accounted for 26.1 percent of revenue from sales. The accumulated gross profit increased by 6.3 percent compared to the same period of previous year.

The main reason for the increase in gross profit in Q4/2025 primarily supported by more effective cost management across both labor and raw material expenses. In particular, lower pork raw material prices contributed positively to cost control. As a result, the group's gross profit margin improved compared to the same period last year.

**Others :**

The Group recognized a gain of THB 30.5 million from change in fair value of biological assets net cost of sales in Q4/2025, which accounted for 3.5 percent of revenue from sales. The change in fair value increased by 1,293.1 percent compared to the same period of previous year. (an increase of 172.4 percent compared to Q3/2025). The Group has accumulated gain from change in fair value of biological asset net cost of sales for 12 months amounted to THB 7.5 million, which accounted for 0.2 percent of revenue from sales. The accumulated fair value of biological asset net cost of sales decreased 56.4 percent compared to the same period of previous year.

The increase in gains from change in fair value of biological assets was driven by the continuous upward market prices of swine, whereas during the same period last year, swine prices were trending downward.

**Net profit****attributable to the Company :**

The Group has net profit attributable to the Company of THB 47.4 million in Q4/2025, which accounted for 5.5 percent of revenue from sales. The net profit increased 51.3 percent compared to the same quarter of the previous year (an increase of 421.1 percent compared to Q3/2025). The Group has accumulated net profit attributable to the Company for 12 months amounting to THB 135.2 million, which accounted for 3.9 percent of revenue from sales. The accumulated net profit attributable to the Company increased 1.3 percent compared to the same period of previous year.

The increase in net profit attributable to the Company in Q4/2025 was a result of higher gross profit, along with gains from the fair value change of biological assets, which led to an overall increase in the Group's net profit.

## Core Business

Revenue from sales (consolidated)	Quarter 4/2025 (3 months : Oct - Dec)			Quarter 4/2025 (12 months : Jan - Dec)	
	(THB Mil.)	(%YOY)	(%QOQ)	(THB Mil.)	(%YOY)
Segment information					
<b>Revenue from Sales</b>	<b>868.3</b>	<b>-4.0%</b>	<b>5.5%</b>	<b>3,497.1</b>	<b>4.7%</b>
Processed food from meat	489.1	-3.2%	10.6%	1,887.2	1.8%
Processed seafood	287.1	2.9%	7.2%	1,137.6	6.8%
Restaurants	18.9	-10.0%	-13.2%	88.5	13.9%
Swine farm	73.2	-26.2%	-19.5%	383.8	11.4%

### Revenue from sales

#### 1. Processed Food from Meat

The Group has revenue from processed food from meat of THB 489.1 million in Q4/2025, which accounted for 56.3 percent of total revenue from sales. This represents a decrease of 3.2 percent compared to the same quarter of previous year (an increased of 10.6 percent compared to Q3/2025). The gross profit from this business segment was THB 135.8 million, which accounted for 27.8 percent of revenue from processed food from meat. This showed a slight growth of 16.4 percent compared to the same quarter of previous year (an increased of 6.3 percent compared to Q3/2025)

The Group has accumulated revenue from sales from processed food from meat for 12 months of THB 1,887.2 million, which accounted for 54.0 percent of total revenue from sales. This represented a growth rate of 1.8 percent compared to the same period of previous year. The accumulated gross profit from this business segment was THB 509.1 million, which accounted for 27.0 percent of revenue from processed food from meat. This showed a growth of 5.6 percent compared to the same period of previous year.

The continued growth in sales and gross profit margin from the processed food from meat business was supported by effective labor cost control and the benefit from lower raw material prices.

#### 2. Processed Seafood

The Group has revenue from processed seafood THB 287.1 million in Q4/2025, which accounted for 33.1 percent of total revenue from sales. This represents a growth of 2.9 percent compared to the same quarter of previous year (an increase of 7.2 percent compare to Q3/2025). The gross profit from this business segment was THB 85.9 million, which accounted for 29.9 percent of revenue from processed seafood business. This showed an increased of growth 15.7 percent compared to the same quarter of previous year (an increase of 44.8 percent compared to Q3/2025).

The Group has accumulated revenue from processed seafood for 12 months of THB 1,137.6 million, which accounted for 32.5 percent of total revenue from sales. This represents an increased of growth 6.8 percent compared to the same period of previous year. The accumulated gross profit from this business segment was THB 289.7 million, which accounted for 25.5 percent of revenue from processed seafood business. This showed a decrease of 3.2 percent compared to the same period of previous year.

The Group's gross profit margin decreased compared to the same period last year, primarily due to changes in the sales mix following the discontinuation of certain products. This resulted in a decline in both the proportion of sales and the overall gross profit margin of the Group.

#### 3. Quick Service Restaurants (QSR)

The Group has revenue from quick service restaurants of 18.9 million in Q4/2025, which accounted for 2.2 percent of total revenue from sales. This represents a decrease of 10.0 percent compared to the same quarter of

previous year (a decreased of 13.2 percent from Q3/2025). The gross profit from this business segment was THB 7.2 million, which accounted for 38.3 percent of revenue from quick service restaurants. This showed a decrease of 24.0% compared to the same quarter of previous year (a decrease of 19.0 percent compared to Q3/2025).

The Group has accumulated revenue from quick service restaurants for 12 months amounted to THB 88.5 million, which accounted for 2.5 percent of total revenue from sales. This represents a growth of 13.9% compared to the same period of previous year. The accumulated gross profit from this business segment was THB 36.1 million which accounted for 40.8 percent of revenue from quick service restaurants. This showed an increased of 8.0 percent compared to the same period of previous year.

The increase in revenue from quick service restaurants was due to the opening of new branches in high-potential locations in this year, as well as the closure of unprofitable branches since the previous year.

#### ***4. Swine Farming***

The Group has revenue from swine farming of THB 73.2 million in Q4/2025, which accounted for 8.4 percent of total sales. This represents a decrease of 26.2 percent as compared to the same quarter of previous year (a decrease of 19.5 percent compared to Q3/2025). The gross profit from this business segment was THB 3.8 million, which accounted for 5.2% of revenue from swine farming. This showed a decrease of 83.8 percent compared to the same quarter of previous year (a decrease of 64.9 percent compared to Q3/2025).

The Group has revenue from swine farming for 12 months amounting to THB 383.8 million, which accounted for 11.0 percent of revenue from sales. This represents a growth of 11.4 percent compared to the same period of previous year. The accumulated gross profit from this segment was THB 76.1 million, which accounted for 19.8 percent of revenue from swine farming. This showed an increase of 100.2 percent compared to the same period of previous year.

In 2025, revenue from the swine farming business declined due to the continuous decrease in market swine prices. However, the Group implemented more effective cost control measures, resulting in an overall improvement in the operating performance of the swine farming segment compared to the previous year.

#### ***Revenue from rental and services***

The Group has revenue from rental and service of THB 4.7 million in Q4/2025, which accounted for 0.5 percent of revenue from sales. The represents an increase of growth 13.8 percent as compared to the same period of previous year (an increase of 10.8 percent compared to Q3/2025).

The Group has accumulated revenue from rental and service for 12 months amounting to THB 17.7 million, which accounted for 0.5 percent of revenue from sales. The represents a growth of 9.7 percent compared to the same period of previous year.

The increase in rental and service income was due to the Group's success in acquiring new tenants, as well as improved management of fixed costs.

#### ***Selling and distribution expenses***

The Group has selling and distribution expenses of THB 109 million in Q4/2025, which accounted for 12.6 percent of revenue from sales. This represents an increase of 21.3 percent compared to the same quarter of previous year (an increased of 8.6 percent compared to Q3/2025).

The Group has accumulated selling and distribution expenses in 12 months amounting to THB 420.0 million, which accounted for 12.0 percent of revenue from sales. This represents an increase of 13.2 percent compared to the same period of previous year.

The increase in selling and distribution expenses was in line with revenue growth, driven by higher promotional costs and increased marketing expenses.

#### **Administrative expenses**

The Group has administrative expenses of THB 90.9 million in Q4/2025, which accounted for 10.5 percent of revenue from sales. This represents a 11.3 percent decrease compared to the same quarter of previous year (an increase of 3.7 percent compared to Q3/2025).

The Group has accumulated administrative expenses in 12 months amounted to THB 358.7 million, which accounted for 10.3 percent of revenue from sales. This represents an increase of 3.9 percent compared to the same period of previous year.

The Group's administrative expenses increased slightly, primarily due to higher costs related to employees, general support operations and overseas expenses.

#### **Financial Highlights as of December 31, 2025**

Statement of Financial Position (Consolidated)	December 31, 2025		December 31, 2024		Change
	(THB Mil.)	(%)	(THB Mil.)	(%)	(%YOY)
<b>Total Assets</b>	<b><u>3,383.1</u></b>	<b><u>100.0%</u></b>	<b><u>3,261.6</u></b>	<b><u>100.0%</u></b>	<b><u>3.7%</u></b>
<b>Current Assets</b>	<b><u>1,281.7</u></b>	<b><u>37.6%</u></b>	<b><u>1,232.9</u></b>	<b><u>37.8%</u></b>	<b><u>4.0%</u></b>
- Cash and cash equivalents	221.1	6.4%	209.3	6.5%	5.6%
- Trade and other receivables	590.5	17.5%	608.5	18.7%	-3.0%
- Inventories	330.8	9.8%	272.4	8.4%	21.4%
- Biological assets	103.6	3.1%	106.7	3.3%	-2.8%
- Other current assets	35.7	0.9%	36.0	1.1%	0.1%
<b>Non-Current Assets</b>	<b><u>2,101.4</u></b>	<b><u>62.4%</u></b>	<b><u>2,028.7</u></b>	<b><u>62.2%</u></b>	<b><u>3.6%</u></b>
- Investment Properties	610.7	18.1%	608.2	18.6%	0.4%
- Property, Plant, and Equipment	1,300.6	38.4%	1,255.2	38.5%	3.6%
- Right-of-use Assets	93.1	2.8%	83.2	2.6%	11.8%
- Biological asset (non-current)	19.3	0.6%	14.3	0.4%	34.9%
- Other non-current assets	77.7	2.6%	67.8	2.1%	14.8%
<b>Total Liabilities</b>	<b><u>2,006.1</u></b>	<b><u>59.3%</u></b>	<b><u>1,859.2</u></b>	<b><u>57.0%</u></b>	<b><u>7.9%</u></b>
<b>Current Liabilities</b>	<b><u>1,474.0</u></b>	<b><u>43.6%</u></b>	<b><u>1,350.3</u></b>	<b><u>41.4%</u></b>	<b><u>9.2%</u></b>
- Bank overdraft	890.0	26.3%	764.0	23.4%	16.5%
- Trade and other payable	416.3	12.3%	435.3	13.3%	-4.4%
- Current portion of long-term loan	85.4	2.5%	84.7	2.6%	0.9%
- Other current liabilities	82.3	2.4%	66.3	2.0%	24.2%
<b>Non-Current Liabilities</b>	<b><u>532.1</u></b>	<b><u>15.7%</u></b>	<b><u>508.9</u></b>	<b><u>15.6%</u></b>	<b><u>4.5%</u></b>
- Lease liabilities – exceed 1 year	82.4	2.4%	80.3	2.5%	2.6%
- Long term loan – exceed 1 year	316.3	9.4%	313.3	9.6%	1.0%
- Provision for retirement benefit	102.6	3.0%	84.7	2.6%	24.4%
- Other non-current liabilities	30.8	0.9%	30.7	0.9%	-8.7%
<b>Total Shareholders' Equity</b>	<b><u>1,377.0</u></b>	<b><u>40.7%</u></b>	<b><u>1,402.4</u></b>	<b><u>43.0%</u></b>	<b><u>-1.8%</u></b>
- Equity holders of the Group	1,358.2	40.1%	1,359.2	41.7%	-0.1%
- Non-controlling interests	18.8	0.6%	43.2	1.3%	-56.4%

### *Assets*

The Group's total assets amounted to THB 3,383.1 million, representing an increase of 3.7% compared to the end of previous year. The increase was primarily attributable to the Company's investment in the renovation and development of a new factory for operational use, as well as higher inventory levels. In addition, the continuous rise in swine prices, which are classified as biological assets of the Group, further contributed to the increase in total assets.

### *Liabilities*

The Group's total liabilities amounted to THB 2,006.1 million, representing an increase 7.9% compared to the end of the previous year. This was driven by an increase 9.2% in current liabilities and an increase 4.5% in non-current liabilities, primarily due to the drawdown of short-term borrowings to enhance working capital and support sales growth, as well as to fund overseas investment plans. As of 31 December 2025, the Group's debt-to-equity ratio stood at 1.5 times.

### *Shareholders' Equity*

The Group's total shareholders' equity amounted to THB 1,377.0 million, representing a decrease 1.8% compared to the end of the previous year.