

Performance Analysis

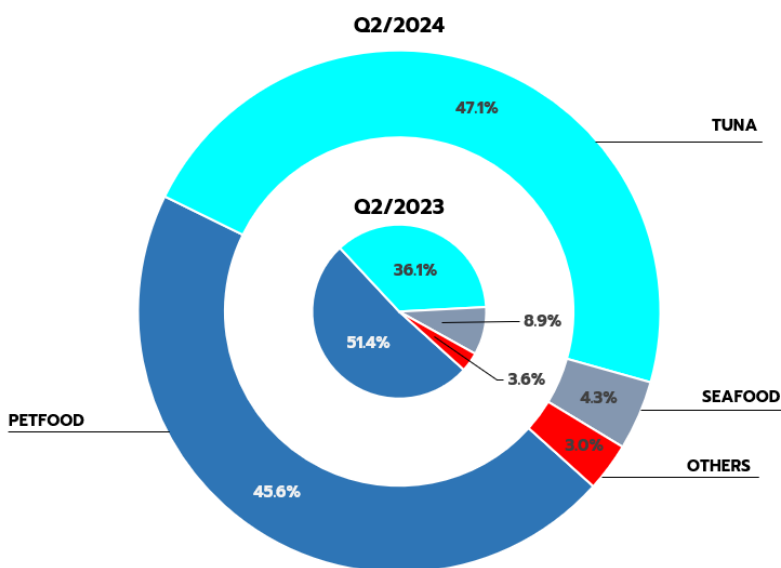
Tropical Canning (Thailand) Public Company Limited (TC) would like to submit financial statements for the second quarter ended 30 June 2024 which reviewed by certified public accountant and verified by the Board of Directors.

Revenue

The company and its' subsidiary had total sales revenue amounted to Baht 1,568.64 Million, increased of Baht 549.54 Million or increased by 53.92% as compared to the quarter 2/2023 which details are as follows:

Revenue from sale Structure

Major income structure Revenue	Quarter 2/2024	Quarter 2/2023	Unit : Million Baht	
			Change	%
Petfood Products	714.30	523.21	191.09	36.52
Tuna Products	739.19	368.03	371.16	100.85
Seafood Products	67.70	90.80	(23.10)	(25.44)
Others	47.45	37.06	10.39	28.03
Total revenue from Sale of Goods	1,568.64	1,019.10	549.54	53.92



1.1) Pet food products

Revenue from sales of pet food products in Q2/2024 increased from the same quarter last year by Baht 191.09 Million or 36.52% due to increased demand during Q2/2024 and recorded higher sales revenue due to the Depreciation of Thai Baht. It is forecast that the demand for petfood products will continue to grow through second half of year 2024.

1.2) Tuna products

Revenue from sales of tuna products in Q2/2024 increased by Baht 371.16 Million or 100.85% from the same quarter last year due to higher demand in Q2/2024.

1.3) Seafood products

Revenue from sales of seafood products in Q2/2024 decreased from the same quarter last year by Baht 23.10 Million or 25.44% due to decreased demand in Q2/2024.

Performance Summary

Performance Summary	Quarter 2/2024	Quarter 2/2023	Unit : Million Baht	
			Change	%
Revenue from sales of goods	1,568.64	1,019.10	549.54	53.92
Net foreign exchange gain	8.00	16.41	(8.41)	(51.25)
Other income	9.67	5.49	4.18	76.16
Total revenue	1,586.31	1,041.00	545.31	52.38
Cost of sales of goods	1,329.04	968.27	360.77	37.26
Distribution Costs	42.21	18.13	24.08	132.89
Administrative expenses	49.24	35.01	14.23	40.63
Total expenses	1,420.49	1,021.41	399.08	39.07
Profit (loss) from operating activities	165.82	19.59	146.23	746.43
Finance costs	(3.82)	(0.99)	2.83	286.65
Profit (loss) before income tax expense	162.00	18.60	143.40	770.87
Tax Expense	(31.95)	(1.26)	30.69	2,430.01
Net Profit (loss)	130.05	17.34	112.71	650.02

Gross margin and gross profit margin

In Q2/2024, the Company and its subsidiary had a gross profit of Baht 239.61 Million, increased Baht 188.78 Million or increased 371.39% compared to the same quarter of previous year. This was mainly due to higher sales volumes and increase in sale revenue, with cost of sales equivalent to 84.73% of revenue from sales of goods (Q2/2023, cost of sales accounting for 95.01% of revenue from sales of goods) resulted to changes in gross profit margin.

Gross Profit margin in Q2/2024 increased to 15.27 %, while in Q2/2023 it accounted for 4.99 %.

Other income

In Q2/2024, the Company and its subsidiary had other income of Baht 9.67 Million or computed as 0.61% of total revenue increased by Baht 4.18 Million or equivalent to an increase of 76.16% compared to the same quarter last year.

Expense

The Company and its subsidiary had total expenses in Q2/2024 of Baht 1,420.49 Million, an increase of Baht 399.08 Million or equivalent to an increase of 39.07% compared to the same quarter last year, mainly due to.

- Cost of sales in Q2/2024 amounted to Baht 1,329.04 Million or computed as 84.73% of revenue from sales of goods, an increase of Baht 360.77 Million or equivalent to an increase of 37.26% compared to the same quarter last year which is consistent with increase in sale volume.

- Selling and administrative expenses in Q2/2024 amounted to Baht 91.45 Million or computed as 5.83% of revenue from sales of goods or increase of Baht 38.31 Million or equivalent to an increase of 72.10% compared to the same quarter last year due to the increased sales volume resulted to increase in distribution cost of Baht 24.08 Million and increase in administrative expenses of Baht 14.23 Million.

- Financial costs in Q2/2024 amounted to Baht 3.82 Million or computed as 0.24% of revenue from sales of goods increased by Baht 2.83 Million or equivalent to an increase of 286.65% compared to the same quarter last year.

Statement of Financial Position

Statement of Financial Position	30-Jun-24	31-Dec-23	Unit : Million Baht	
			Change	%
Current assets	3,229.19	2,591.31	637.88	24.62
Non-current assets	925.51	880.28	45.23	5.14
Total assets	4,154.70	3,471.59	683.11	19.68
Current liabilities	1,281.85	829.45	452.40	54.54
Non-current liabilities	311.05	251.27	59.78	23.79
Total liabilities	1,592.90	1,080.72	512.18	47.39
Equity	2,561.80	2,390.87	170.93	7.15
Total liabilities and equity	4,154.70	3,471.59	683.11	19.68

Assets

The Company and its subsidiary had total assets as of 30 June 2024 of Baht 4,154.70 Million, an increase of Baht 683.11 Million or equivalent to an increase of 19.68% compared to year ended 2023 which consist of assets as follow:

Current assets

The Company and its subsidiary had total current assets as of 30 June 2024 of Baht 3,229.19 Million, an increase of Baht 637.88 Million or equivalent to an increase of 24.62% compared to year ended 2023. The prominent change in current assets consists of following:

- Cash and cash equivalents totaling of Baht 217.46 Million, increased Baht 90.08 Million.
- Trade accounts receivable and other current receivables totaling of Baht 1,451.71 Million, increased Baht 333.48 Million.
- Current portion of long-term loan to other party totaling of Baht 0.60 Million, increased Baht 0.10 Million.
- Inventories totaling Baht 1,558.33 Million, increased Baht 214.23 Million.
- Other current assets totaling Baht 1.09 Million, decreased Baht 0.02 Million.

Non-current assets

The Company and its subsidiary total non-current assets as of 30 June 2024 of Baht 925.51 Million, increased Baht 45.23 Million or equivalent to an increase of 5.14% compared to year end 2023 as the company had land, building, machinery and equipment amounted to Baht 713.95 Million, increased Baht 47.10 Million or equivalent to an increase of 7.06% due to acquisition of machinery and equipment amounted to Baht 108.64 Million to support increased capacity, machinery improvement to increased production efficiency while there was depreciation amount of Baht 61.32 Million.

Liabilities

The Company and its subsidiary had total liabilities as of 30 June 2024 of Baht 1,592.90 Million, increased Baht 512.18 Million or equivalent to an increase of 47.39% compared to year end of 2023, which consist of liabilities as follow:

Current Liabilities

The Company and its subsidiary had total current liabilities as of 30 June 2024 of Baht 1,281.85 Million, increased Baht 452.40 Million or equivalent to an increase of 54.54% compared to year end 2023. Mainly changes are summarized as follows:

- Bank overdraft and short-term borrowing from financial institutions totaling of Baht 400.72 Million, increased Baht 261.00 Million.
- Trade and other current payables totaling Baht 778.78 Million, increased Baht 119.65 Million.
- Current portion of long-term borrowing from financial institution totaling of Baht 42.24 Million, increased Baht 20.04 Million.
- Current income tax payable totaling Baht 53.07 Million, increase Baht 51.62 Million.

Non-current liabilities

The Company and its subsidiary had total non-current liabilities as of 30 June 2024 of Baht 311.05 Million, increased Baht 59.78 Million or equivalent to an increase of 23.79% compared to year end 2023 due to long-term loans from financial institutions amounted to Baht 117.78 Million, increased Baht 62.18 Million or equivalent to an increase of 111.83%.

Equity

The Company and its subsidiary had equity as of 30 June 2024 amounted to Baht 2,561.80 Million, increased Baht 170.93 Million or equivalent to an increase of 7.15% as compared to year ended 2023 due to the company had profit for Quarter 2/2024 at Baht 130.05 Million. As a result, the Company and its subsidiary had book value per share as of 30 June 2024 of Baht 7.76, increased from Baht 7.25 as compared to year end 2023.