

**Performance Analysis**

Tropical Canning (Thailand) Public Company Limited (TC) would like to submit financial statements for the third quarter ended 30 September 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 1,892.04 Million, increased of Baht 630.66 Million or increased by 50.00% as compared to the quarter 3/2023 which details are as follows:

**Revenue from sale Structure**

| Major income structure                  | Revenue | Quarter 3/2024  | Quarter 3/2023  | Unit : Million Baht |              |
|---|---------|-----------------|-----------------|---------------------|--------------|
|   |         |                 |                 | Change              | %            |
| Petfood Products                        |         | 866.86          | 563.90          | 302.96              | 53.72        |
| Tuna Products                           |         | 848.19          | 592.19          | 256.00              | 43.23        |
| Seafood Products                        |         | 112.01          | 50.89           | 61.12               | 120.12       |
| Others                                  |         | 64.98           | 54.40           | 10.58               | 19.44        |
| <b>Total revenue from Sale of Goods</b> |         | <b>1,892.04</b> | <b>1,261.38</b> | <b>630.66</b>       | <b>50.00</b> |

**1.1 ) Pet food products**

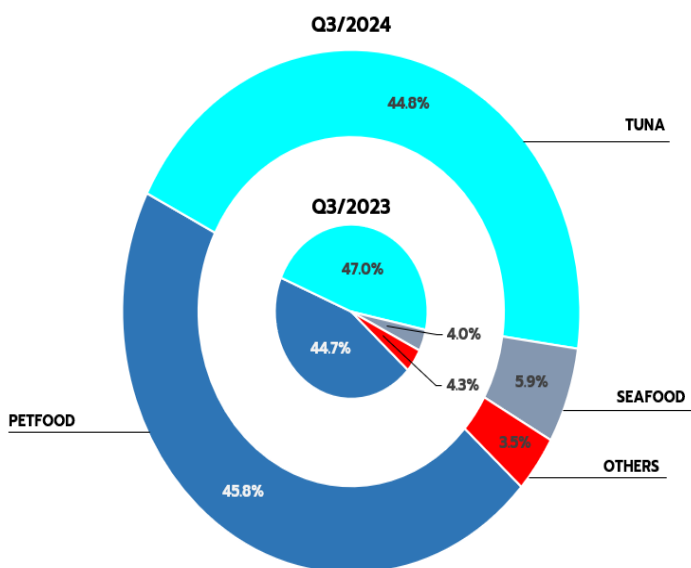
Revenue from sales of pet food products in Q3/2024 increased from the same quarter last year by Baht 302.96 Million or 53.72% due to increased demand during Q3/2024 .It is forecast that the demand for petfood products will continue to grow in Q4/2024.

**1.2 ) Tuna products**

Revenue from sales of tuna products in Q3/2024 increased by Baht 256.00 Million or 43.23% from the same quarter last year due to higher demand in Q3/2024

**1.3 ) Seafood products**

Revenue from sales of seafood products in Q3/2024 increased from the same quarter last year by Baht 61.12 Million or 120.12% due to the low sale revenue during same quarter last year.



**Performance Summary**

| Performance Summary                            | Quarter 3/2024  | Quarter 3/2023  | Unit : Million Baht |               |
|--|-----------------|-----------------|---------------------|---------------|
|  |                 |                 | Change              | %             |
| Revenue from sales of goods                    | 1,892.04        | 1,261.38        | 630.66              | 50.00         |
| Net foreign exchange gain                      | 0.00            | 21.43           | (21.43)             | (100.00)      |
| Other income                                   | 5.72            | 3.49            | 2.23                | 64.01         |
| <b>Total revenue</b>                           | <b>1,897.76</b> | <b>1,286.30</b> | <b>611.46</b>       | <b>47.54</b>  |
| Cost of sales of goods                         | 1,692.77        | 1,163.48        | 529.29              | 45.49         |
| Distribution Costs                             | 24.17           | 23.30           | 0.87                | 3.71          |
| Administrative expenses                        | 37.81           | 34.00           | 3.81                | 11.21         |
| Net foreign exchange loss                      | 64.32           | 0.00            | 64.32               | 100.00        |
| <b>Total expenses</b>                          | <b>1,819.07</b> | <b>1,220.78</b> | <b>598.29</b>       | <b>49.01</b>  |
| <b>Profit (loss) from operating activities</b> | <b>78.69</b>    | <b>65.52</b>    | <b>13.17</b>        | <b>20.10</b>  |
| Finance costs                                  | (5.01)          | (0.75)          | 4.26                | 567.73        |
| <b>Profit (loss) before income tax expense</b> | <b>73.68</b>    | <b>64.77</b>    | <b>8.91</b>         | <b>13.76</b>  |
| Tax Expense                                    | (16.46)         | (4.77)          | 11.69               | 245.12        |
| <b>Net Profit (loss)</b>                       | <b>57.22</b>    | <b>60.00</b>    | <b>(2.78)</b>       | <b>(4.63)</b> |

**Gross margin and gross profit margin**

In Q3/2024, the Company and its subsidiary had a gross profit of Baht 199.27 Million, increased Baht 101.36 Million or increased 103.53% 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 89.47% of revenue from sales of goods (Q3/2023, cost of sales accounting for 92.24% of revenue from sales of goods) resulted to changes in gross profit margin.

Gross Profit margin in Q3/2024 increased to 10.53%, while in Q3/2023 it accounted for 7.76%

**Net foreign exchange loss**

In Q3/2024, the Company and its subsidiary had Net foreign exchange loss of Baht 64.32 Million, equivalent to 3.39% of revenue from sales of goods due to there was event where exchange rate of Thai Baht appreciated against US Dollar during the quarter when compared to the same quarter of the previous year.

**Other income**

In Q3/2024, the Company and its subsidiary had other income of Baht 5.72 Million or computed as 0.30% of total revenue increased by Baht 2.23 Million or equivalent to an increase of 64.01% compared to the same quarter last year.

**Expense**

The Company and its subsidiary had total expenses in Q3/2024 of Baht 1,819.07 Million, an increase of Baht 598.29 Million or equivalent to an increase of 49.01% compared to the same quarter last year, mainly due to

- Cost of sales in Q3/2024 amounted to Baht 1,692.77 Million or computed as 89.47% of revenue from sales of goods, an increase of Baht 529.29 Million or equivalent to an increase of 45.49% compared to the same quarter last year which is consistent with increase in sale volume

- Selling and administrative expenses in Q3/2024 amounted to Baht 61.98 Million or computed as 3.27% of revenue from sales of goods or increase of Baht 4.68 Million or equivalent to an increase of 8.16% compared to the same quarter last year due to the increased sales volume resulted to increase in distribution cost of Baht 0.87 Million and increase in administrative expenses of Baht 3.81 Million.

- Financial costs in Q3/2024 amounted to Baht 5.01 Million or computed as 0.26% of revenue from sales of goods increased by Baht 4.26 Million or equivalent to an increase of 567.73% compared to the same quarter last year due to the increase in production volume result to increase in purchase of raw materials. Also, the company has interest expenses from long-term loans from financial institutions.

**Statement of Financial Position**

| Statement of Financial Position     | 30-Sep-24       | 31-Dec-23       | Unit : Million Baht |              |
|-------------------------------------|-----------------|-----------------|---------------------|--------------|
|                                     |                 |                 | Change              | %            |
| Current assets                      | 3,366.35        | 2,591.31        | 775.04              | 29.91        |
| Non-current assets                  | 939.70          | 880.28          | 59.42               | 6.75         |
| <b>Total assets</b>                 | <b>4,306.05</b> | <b>3,471.59</b> | <b>834.46</b>       | <b>24.04</b> |
| Current liabilities                 | 1,384.64        | 829.45          | 555.19              | 66.93        |
| Non-current liabilities             | 302.39          | 251.27          | 51.12               | 20.35        |
| <b>Total liabilities</b>            | <b>1,687.03</b> | <b>1,080.72</b> | <b>606.31</b>       | <b>56.10</b> |
| Equity                              | 2,619.02        | 2,390.87        | 228.15              | 9.54         |
| <b>Total liabilities and equity</b> | <b>4,306.05</b> | <b>3,471.59</b> | <b>834.46</b>       | <b>24.04</b> |

**Assets**

The Company and its subsidiary had total assets as of 30 September 2024 of Baht 4,306.05 Million, an increase of Baht 834.46 Million or equivalent to an increase of 24.04% 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 September 2024 of Baht 3,366.35 Million, an increase of Baht 775.04 Million or equivalent to an increase of 29.91% compared to year ended 2023. The prominent change in current assets consists of following:

- Cash and cash equivalents totaling of Baht 109.37 Million, decreased Baht 18.01 Million
- Trade accounts receivable and other current receivables totaling of Baht 1,733.37 Million, increased Baht 615.14 Million
- Current portion of long-term loan to other party totaling of Baht 0.5 Million
- Inventories totaling Baht 1,521.82 Million, increased Baht 177.73 Million
- Other current assets totaling Baht 1.30 Million, decreased Baht 0.18 Million

**Non-current assets**

The Company and its subsidiary total non-current assets as of 30 September 2024 of Baht 939.70 Million, increased Baht 59.42 Million or equivalent to an increase of 6.75% compared to year end 2023 as the company had land, building, machinery and equipment amounted to Baht 742.04 Million, increased Baht 75.19 Million or equivalent to an increase of 11.27% due to acquisition of machinery and equipment amounted to Baht 168.35 Million to support increased capacity, machinery improvement to increased production efficiency while there was depreciation amount of Baht 92.82 Million.

**Liabilities**

The Company and its subsidiary had total liabilities as of 30 September 2024 of Baht 1,687.03 Million, increased Baht 606.31 Million or equivalent to an increase of 56.10% 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 September 2024 of Baht 1,384.64 Million, increased Baht 555.19 Million or equivalent to an increase of 66.93% compared to year end 2023. Mainly changes are summarized as follows:

- Bank overdraft and short-term borrowing from financial institutions totaling of Baht 466.09 Million, increased Baht 326.37 Million.
- Trade and other current payables totaling Baht 867.17 Million, increased Baht 208.04 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 2.12 Million, increase Baht 0.67 Million.

#### **Non-current liabilities**

The Company and its subsidiary had total non-current liabilities as of 30 September 2024 of Baht 302.39 Million, increased Baht 51.12 Million or equivalent to an increase of 20.35% compared to year end 2023 due to long-term loans from financial institutions amounted to Baht 107.22 Million, increased Baht 51.62 Million or equivalent to an increase of 92.84%.

#### **Equity**

The Company and its subsidiary had equity as of 30 September 2024 amounted to Baht 2,619.02 Million, increased Baht 228.15 Million or equivalent to an increase of 9.54% as compared to year ended 2023 due to the company had profit for Quarter 3/2024 at Baht 57.22 Million. As a result, the Company and its subsidiary had book value per share as of 30 September 2024 of Baht 7.94, increased from Baht 7.25 as compared to year end 2023.