



KIANG HUAT SEA GULL TRADING FROZEN FOOD PUBLIC COMPANY LIMITED

4/2 MOO 3 ASIA HIGHWAY NO. 43, NAMOM, SONGKHLA 90310, THAILAND

TEL : 0-7422-2333 FAX : 0-7422-2300-1 www.kst-hatyai.com

TRADE REGISTER NUMBER : 0107537002231

No. KST 164/22

15 August, 2022

Subject Clarification on the operating results for the three-month and six-month periods ended June 30, 2022 with change more than 20 percent from the same periods last year

To Managing Director and Director of the Stock Exchange of Thailand

Refer Regulation of the Stock Exchange of Thailand in regard with the preparation and submission of the financial statements and reports

According to the regulation of the Stock Exchange of Thailand as mentioned above, Kiang Huat Sea Gull Trading Frozen Food Public Company Limited (“the Company”) would like to clarify the operating results of the Company for the three-month and six-month periods ended June 30, 2022.

The overview of the consolidated operating results of the Company for three-month and six-month periods is as follows:

<i>(million baht)</i>	Consolidated statements		Consolidated statements	
	For the three-month period		For the six-month period	
	ended 30 June		ended 30 June	
	2022	2021	2022	2021
Revenue from sale of goods	932	696	1421	1107
Revenue from rendering services	-	3	-	3
Cost of goods sold	(822)	(640)	(1274)	(1063)
Cost of services rendered	-	(2)	-	(2)
Gross profit (loss)	109	56	147	45
% Gross profit (loss)	11.7%	8.0%	10.3%	4.1%
Profit (loss) for the period	43	16	43	(38)
%Profit (loss) for the period	4.6%	2.3%	3.0%	-3.4%



KIANG HUAT SEA GULL TRADING FROZEN FOOD PUBLIC COMPANY LIMITED

4/2 MOO 3 ASIA HIGHWAY NO. 43, NAMOM, SONGKHLA 90310, THAILAND

TEL : 0-7422-2333 FAX : 0-7422-2300-1 www.kst-hatyai.com

TRADE REGISTER NUMBER : 0107537002231

Operating results:

For the three-month and six-month periods ended June 30, 2022, the Company had net profit, for both periods, of Baht 43 Million compared to last year which signifies a 169 percent increase for three-month period and a 213 percent increase for six-month period. The clarifications on the changes of the Company's operating results are as follows:

1. Revenue from sales of goods and rendering of services for three-month period and six-month period increased by 33 percent and 28 percent, respectively, when compared to the same periods last year. The increase is due to higher sales volume, expansion of customer base, selling price increase, and depreciation of Thai Baht.

2. Cost of sales of goods and rendering of services for three-month period and six-month period increased by 28 percent and 20 percent, respectively, when compared to the same periods last year. The increase is in line with the growth of revenue from sales of goods and rendering of services. The increase rate of cost is lower than that of revenue with better management of raw materials.

3. For the reasons mentioned in number 1 and number 2, the Company's gross profit margin is 11.7 percent and 10.3 percent for the three-month and six-month periods ended June 30, 2022, respectively.

4. Distribution costs have increased by 84 percent for three-month period and 80 percent for six-month period due to higher export-related costs, especially freight rate, mainly from container shortage.

Please be informed accordingly

Yours Sincerely,

Mr. Chaiwat Laoteppitak

Managing Director