



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 054/23

February 24, 2023

Subject Clarification on the operating results for the year ended December 31, 2022 with change more than 20 percent from the same period 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 year ended December 31, 2022.

The overview of the consolidated operating results of the Company for year 2022 is as follows:

(Million Bath)	Consolidated	
	Year ended 31 December	
	2022	2021
Revenue From sales of goods	3,147.30	2,476.38
Revenue From rendering services	0.41	9.40
Cost of goods sold	(2,821.87)	(2,259.20)
Cost of rendering of services	(0.36)	(7.67)
Gross profit	325.48	218.91
% Gross profit	10.34%	8.81%
Profit for the period	107.04	39.74
% Profit for the period	3.40%	1.60%



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Operating results:

For the year ended December 31, 2022, the Company had net profit of Baht 107.04 Million compared to last year which had net profit of Baht 39.74 Million, signifies a 169 percent increase. The clarifications on the changes of the Company's operating results are as follows:

1. Revenue from sales of goods and rendering of services amounting Baht 3,147.71 Million, increased by 27 percent when compared to the same period last year. The increase is due to increase in sales volume, expansion of customer base, increase in selling price and depreciation of Thai Baht.

2. Cost of sales of goods and rendering of services amounting Baht 2,822.23 Million, increased by 25 percent when compared to the same period last year, in line with the increase 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 in 2022 to Baht 325.48 Million increase compared to the year 2021 with gross profit Baht 218.91 Million or increase 49 percent.

4. Distribution costs have increased by 53 percent due to rising export-related costs, especially freight rate, mainly from container shortage.

5. Loss on foreign exchange has increased by 429 percent due to mainly from extremely volatile USD/THB throughout the year 2022.

6. Finance costs have increased by 53 percent due to increase in short term borrowings from financial institutions mainly for the purpose of raw materials purchasing.

Please be informed accordingly.

Yours Sincerely,

Mr. Chaiwat Laoteppitak

Managing Director