



Reference No. Admin. 015 / 2023

May 10, 2023

President

The Stock Exchange of Thailand

Subject: Clarifications on financial results for the three-month period ended March 31, 2023 and significant events that causes the profit of the Company and its subsidiaries changing by more than 20%

Surapon Foods Public Company Limited (or "the Company") would like to inform the performance of the Company and its subsidiaries as presented in consolidated financial statements for the three-month period ended March 31, 2023 which has been reviewed by the Independent Auditor. Net profit of the Company and its subsidiaries was Baht 80.7 million (the profit attributable to owners of the parent was Baht 28.1 million), whereby net profit for the three-month period ended March 31, 2022 was Baht 59.7 million (the profit attributable to owners of the parent was Baht 27.5 million) which increased by 35.0%. The significant events that cause such change can be summarized as followings:

1. Revenue from sale of goods according to consolidated financial statements for the three-month period ended March 31, 2023 was Baht 1,269.0 million, which decreased by Baht 160.9 million or 11.3% compared to the same period of the year 2022. This is mainly due to the world economic and the Company and its subsidiaries' main markets have been growing at a decreasing rate, compared to the same period of the year 2022.
2. Gross profit margin of revenue from sale of goods for the three-month period ended March 31, 2023 was at 14.1%, increase from the same period of the year 2022 which was at 11.2% according to the lower production cost when compared to the same period of the year 2022. This is mainly due to the continuous development of production efficiency as well as more utilization of production machines and equipment.
3. Distribution costs for the three-month period ended March 31, 2023 was amounting to Baht 55.1 million decreased by Baht 25.4 million or 31.5% compared to the same period of the year 2022. This is mainly due to stricter cost and expense controls to be in accordance with the decrease of sales order quantity. The most significant decrease of distribution cost item is sea freight expense, which is in line with the downward trend of global seas freight rate due to more balance of global freight demands.

In conclusion, The Company and its subsidiaries has reported revenue from sales of goods for the three-month period ended March 31, 2023 decreased, however, net profit increased as a result of production efficiency development as well as cost and expense management as prescribed above.

Please be informed accordingly

Sincerely yours,

Surapon Foods Public Company Limited

Mr. Patt Somchaikulsup

Company Secretary and Authorized Information Discloser