S.PACK & PRINT PUBLIC COMPANY LIMITED

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QMS 03123/727

SP.2025/006

Date : May 14, 2025

Subject : The Explanation to SET concerning the operating result of Q1/2025 more than 20%

Attention : The Director and Manager of the Stock Exchange of Thailand

For the Q1/2025 period ended of March 31, 2025 operating result of the Company net profit 8.89 Million Baht comparison with the previous Q1/2024's net profit 13.83 Million Baht decrease of 4.94 Million Baht or 35.69%. The reasons for such decreases are:-

- Sales income and proceeds from services 342.02 Million Baht in Q1/2024 to 281.38 Million Baht in Q1/2025 decrease 60.64 Million Baht or 17.73%.mainly from the entry of Malaysian competitor offering significantly lower prices than both the company and local competitors in Thailand resulted in a decline in the company's market share. Consequently, the company was compelled to lower its product prices in order to remain competitive and maintain its market position.

- Cost of the sales and services from 291.35 Million Baht or 85.18% of sale income and proceeds from services in Q1/2024 decreased to 244.27 Million Baht or 86.81% of sale income and proceeds from services in Q1/2025 decreased by 47.07 Million Baht because of lower sales volume and percentage of cost of sales and services per sales income proceeds from services increase mainly from price reduction while raw material costs remained relatively unchanged. However, the company has an ongoing cost control plan in place to further reduce production costs.

- Selling and administrative expenses from 30.18 Million Baht or 8.82% of sale income and proceeds from services in Q1/2024 decreased to 26.40 Million Baht or 9.38% of sale income and proceeds from services in Q1/2025 decreased by 3.77 Million Baht mainly from gain on exchange rate in this period while Q1/2024 has loss on exchange rate.

- Cost of finance from 3.38 Million Baht or 0.99% of sale income and proceeds from services in Q1/2024 to 1.86 Million Baht or 0.66% of sale income and proceeds from services in Q1/2025 decreased by 1.53 Million Baht because of the decreasing in loan from related company.

Please be informed accordingly.

Yours sincerely,

Mr. Atsushi Endo

(Mr. Atsushi Endo)
Executive Director