



Tipco 019/2025

Management Discussion and Analysis of Tipco Foods Public Company Limited**Performance for the second quarter of 2025 and the six-month period ended June 30, 2025****Comprehensive income statement for the second quarter of 2025 ended June 30, 2025 and 2024 –****Continuing operations**

Unit: Million Baht

Statement of comprehensive income	Consolidated financial		Changes		Consolidated financial		Changes	
	Q2 2025	Q2 2024	Increase (Decrease)	%	For the six- month 2025	For the six- month 2024	Increase (Decrease)	%
Profit or loss: Continuing operations								
Sales	481	537	(56)	(10%)	999	1,003	(4)	(0%)
Gain on exchange	0	1	(1)	(92%)	1	2	(1)	(29%)
Other income	12	21	(9)	(39%)	28	46	(18)	(40%)
Total revenues	494	559	(65)	(12%)	1,027	1,050	(23)	(2%)
Operating expenses	468	531	(63)	(12%)	963	1,035	(72)	(7%)
Operating profit	25	27	(2)	(7%)	65	15	50	321%
Share of profit from investment in associate	92	23	69	298%	195	25	170	678%
Profit before finance cost and income tax expenses	118	50	68	133%	259	40	219	543%
Finance cost	(18)	(17)	1	3%	(36)	(35)	1	5%
Profit before income tax expenses	100	33	67	199%	223	6	217	3,736%
Income tax benefit (expenses)	(7)	(2)	(5)	243%	(15)	1	(16)	(1,145%)
Profit from continuing operations	93	31	62	196%	209	7	202	2,792%
Discontinued operations								
Loss for the period from discontinuing operations - net of income tax	(6)	(66)	60	(91%)	(11)	(109)	98	(90%)
Profit (loss) for the period	87	(34)	121	(353%)	197	(101)	298	(295%)

For the second quarter of 2025, Tipco Foods Public Company Limited ("the Company") and its subsidiaries recorded a profit of 87 million baht, consisting of Profit from continuing operations of 93 million baht and Loss from discontinued operations of 6 million baht.

To further support the understanding of financial statement presentation in a format that shows operating results from continuing operations and discontinued operations, as a result of the resolution passed by the Company's Board of Directors on September 24, 2024, to cease the operations of Tipco Pineapple Co., Ltd.'s canned pineapple manufacturing and distribution business. Consequently, the Company has classified the operating results of Tipco Pineapple Co., Ltd. as discontinued operations. The Company has presented the results of the discontinued operations separately from its normal operating results and shown them as loss from discontinued operations – net of income tax in the statement of comprehensive income.

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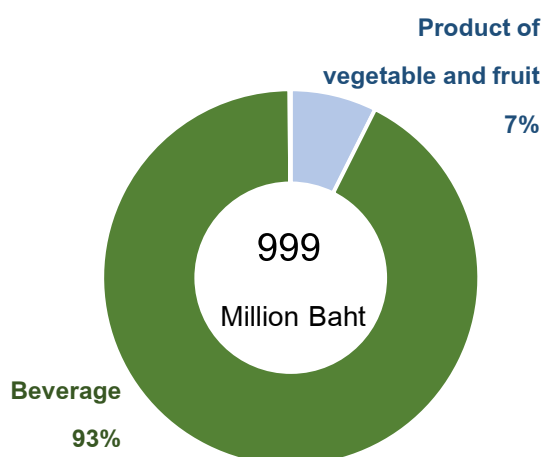
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Structure of sales revenue for the six-month period ended June 30, 2025

**Beverages (Continuing operations)**

Includes the ready-to-drink fruit and vegetable juice business and the bottled natural mineral water business.

Plant, vegetable, and fruit products (Continuing operations)

Includes plant, vegetable, and fruit products, health products, and agricultural products.

Revenue from discontinued Operations (Not included in this chart)

Generated from the processed pineapple business at 5 million baht.

Continuing operations1. Sales revenue and gross profit

Unit : Million Baht

Continuing operations	Beverage		Changes		Product of vegetable and fruit		Changes		Other		Changes		Consolidated financial		Changes	
	Q2 2025	Q2 2024	Increase (Decrease)	%	Q2 2025	Q2 2024	Increase (Decrease)	%	Q2 2025	Q2 2024	Increase (Decrease)	%	Q2 2025	Q2 2024	Increase (Decrease)	%
Revenues from sales of goods	432	468	(36)	(8%)	48	67	(19)	(28%)	1	2	(1)	(50%)	481	537	(56)	(10%)
Gross profit (Loss)	151	143	8	6%	19	34	(15)	(44%)	1	1	-	0%	171	178	(7)	(4%)
Gross Profit (Loss) Margin	35%	31%	4%		40%	51%	(11%)		100%	50%	50%		36%	33%	2%	

Continuing operations	Beverage		Changes		Product of vegetable and fruit		Changes		Other		Changes		Consolidated financial		Changes	
	For the six-month 2025	For the six-month 2024	Increase (Decrease)	%	For the six-month 2025	For the six-month 2024	Increase (Decrease)	%	For the six-month 2025	For the six-month 2024	Increase (Decrease)	%	For the six-month 2025	For the six-month 2024	Increase (Decrease)	%
Revenues from sales of goods	924	927	(3)	(0%)	74	74	-	0%	1	2	(1)	(50%)	999	1,003	(4)	(0%)
Gross profit (Loss)	327	270	57	21%	32	42	(10)	(24%)	-	1	(1)	(100%)	359	313	46	15%
Gross Profit (Loss) Margin	35%	29%	6%		43%	57%	(14%)		0%	50%	(50%)		36%	31%	5%	

In the second quarter of 2025, the Company and its subsidiaries recorded sales revenue from continuing operations totaling 481 million baht, a decrease of 56 million baht or 10% compared to the same period last year. The reasons came from two main businesses as follows:

1.1. Beverage Business

Sales revenue for the second quarter of 2025 decreased by 36 million baht or 8% compared to the same period last year. The main reasons were from the product group, as follows:

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Domestic revenue from fruit juice products decreased due to the decline in economics and increased caution in consumer spending, coupled with heavier and longer rainfall compared to the previous year, which made transporting goods to upcountry areas during the rainy season more difficult. Additionally, international tourists delayed their travel during the Songkran festival. However, international sales continued to grow.

Natural mineral water products saw revenue growth, driven by increased consumption during festivals and long holidays. This was partly due to efforts to strengthen brand recognition, the launch of new products, and accelerated delivery to meet rising demand from partners.

The gross profit margin for the beverage business in the second quarter of 2025 was 35%, up from 31% in the same period last year, due to effective product mix management and price adjustments in response to rising raw material costs and the implementation of a new sugar tax rate at the beginning of the quarter.

1.2. Plant, vegetable, and fruit products business

Revenue from fresh Homsuwan pineapple products increased, driven by higher yields due to favorable water and weather conditions during the planting season. Similarly, domestic extraction revenue has increased due to new customers. However, revenue from plant extract products in the international market slowdown. As a result, overall sales revenue for the second quarter of 2025 decreased by 19 million baht, or 28%, compared to the same period last year.

The gross profit margin for plant extract products in the second quarter of 2025 was 40%, down from 51% in the same period last year, due to a drop in the price of Homsuwan pineapples caused by an abundant supply this year. Additionally, the price of extract products decreased, according to the product mix, such as the quality and type of herbs.

2. Operating Expenses

Unit : Million Baht

Expenses	Consolidated financial statements		Change		Consolidated financial statements		Change	
	Q2 2025	Q2 2024	Increase (Decrease)	%	For the six-month 2025	For the six-month 2024	Increase (Decrease)	%
Cost of sales and services	311	358	(47)	(13%)	639	690	(51)	(7%)
Selling expenses	86	101	(15)	(15%)	174	197	(23)	(12%)
Administrative expenses	71	72	(1)	(1%)	149	148	1	1%
Total expenses	468	531	(63)	(12%)	963	1,035	(72)	(7%)

In the second quarter of 2025, the Company and its subsidiaries had total operating expenses of 468 million baht, a decrease of 63 million baht or 12% compared to the same period last year. The main reasons were:

- Reduction in cost of sales, from the organizational restructuring alongside efforts to improve production efficiency, the maintenance plan for machinery has been adjusted to maximize cost-effectiveness.

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- Advertising expenses were reduced, shifting focus to promotional campaigns at stimulating consumer purchasing behavior and enhancing value for customers during the economic downturn. Additionally, the company is conducting research and development on new products to meet consumer demand and launch on the market.

3. Share of Profit from Investment in Associate

In the second quarter of 2025, the Company recognized a profit of 92 million baht from investments in associate, representing an increase of 298% compared to the same period last year. For the six-month period of 2025, the Company recognized a profit of 195 million baht from investments in associate, an increase of 678% compared to the same period last year.

Consolidated statement of financial position as of June 30, 2025

Unit: Million Baht

Statement of financial position	Consolidated financial statements		Changes	
	30-Jun-25	31-Dec-24	Increase (Decrease)	%
Assets				
Current assets	1,062	944	118	12%
Non-current assets	4,719	4,959	(240)	(5%)
Total assets	5,781	5,904	(123)	(2%)
Liabilities and shareholders' equity				
Liabilities				
Current liabilities	1,452	1,547	(95)	(6%)
Non-current liabilities	590	651	(61)	(9%)
Total liabilities	2,042	2,198	(156)	(7%)
Shareholders' equity				
Total shareholders' equity	3,738	3,706	32	1%
Total liabilities and shareholders' equity	5,781	5,904	(123)	(2%)

1. Assets

As of June 30, 2025, the Company and its subsidiaries had total assets of 5,781 million baht, a decrease of 123 million baht from 5,904 million baht at the end of 2024. This was primarily due to a decrease in investments in associate, in proportion to the dividends received in the second quarter of 2025. In terms of asset investment, the Company invested in a new operating software system, with the first phase already completed. Regarding inventory turnover, the Company continues to focus on managing inventory levels in alignment with sales volume to ensure efficiency.

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2. Liabilities

As of June 30, 2025, the Company and its subsidiaries had total liabilities of 2,042 million baht, a decrease of 156 million baht from 2,198 million baht at the end of 2024. This was due to the repayment of short-term and long-term loans from financial institutions.

3. Shareholders' Equity

The Company and its subsidiaries recorded an increase in shareholders' equity of 32 million baht, rising from 3,706 million baht at the end of 2024 to 3,738 million baht as of the end of the second quarter of 2025. This increase was driven by a net profit of 197 million baht for the six-month period of 2025, dividend payment of 87 million baht, and a decrease of 78 million baht in other components of shareholders' equity.

Consolidated cash flow statement for the six-month period ended June 30, 2025

Unit : Million Baht

Cash flow statement	For the six-month 30 June 2025
Cash flows from operating activities	
Net cash flows from operating activities	60
Cash flows from investing activities	
Net cash flows from investing activities	286
Cash flows from financing activities	
Net cash flows used in financing activities	(216)
Net increase in cash and cash equivalents	130
Cash and cash equivalents at beginning of period	138
Cash and cash equivalents at end of period	267

For the six-month period ended June 30, 2025, the Company and its subsidiaries had a net increase in cash and cash equivalents of 130 million baht, driven by three main activities:

1. Net cash from operating activities of 60 million baht.
2. Net cash from investing activities of 286 million baht, mainly from dividends received from associate.
3. Net cash used in financing activities of 216 million baht, primarily from loan repayments to financial institutions and dividend payments to shareholders.

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**Key financial ratios from the consolidated financial statements for the six-month ended June 30, 2025****– Continuing operations**

Profitability ratios	Consolidated financial statements		Changes
	30-Jun-25	30-Jun-24	
Gross Profit Margin	36%	31%	5%
EBITDA Margin	34%	13%	21%
Net Profit Margin	20%	1%	19%
Return on Equity	6%	0%	6%
Liquidity and The Capacity to pay ratios	30-Jun-25	31-Dec-24	Changes
Current ratio (Times)	0.73	0.61	0.12
Debt to equity ratio (Times)	0.55	0.59	(0.04)

The Company and its subsidiaries recorded a gross profit margin of 36% for the six-month period ended June 30, 2025, higher than the same period last year. This improvement was driven by product price adjustment and a focus on selling high-margin products.

The EBITDA margin (earnings before interest, taxes, depreciation, and amortization) rose from 13% in the first half of 2024 to 34% in the first half of 2025, supported by improved performance in the beverage segment through more effective trade discount management and higher profit share from associate. These factors also contributed to increases in both the net profit margin and return on equity compared to the same period last year.

The current ratio increased to 0.73 times as of June 30, 2025, up from 0.61 times at the end of 2024. This was due to an increase in trade receivables from regional distributors and overseas customers increased, while promotional payables and other current payables decreased due to a slowdown in disbursements for sales-related events.

The debt-to-equity ratio slightly decreased from 0.59 times at the end of 2024 to 0.55 times as of June 30, 2025, from the repayment of loans to financial institutions.