

Ref: MOONG009/2026

May 8, 2026

**Subject: Management Discussion and Analysis for the first quarter ended March 31, 2026**
**To: President  
The Stock Exchange of Thailand**

Moong Pattana International Public Co., Ltd. (the “Company”) would like to report the operating results for the first quarter ended March 31, 2026 which have already been reviewed by the Independent Auditor. Significant changes are summarized as the following:

**Overview of Business Operations, Economy, and Industry Conditions**

The economic slowdown has led to weakened purchasing power, coupled with a declining birth rate, which has affected the Company’s overall revenue. However, the Company has been able to partially offset these impacts through contributions from new business segments, supporting sales growth. As a result, total sales in the first quarter of 2026 increased by 2.8% compared to the same period last year. In addition, the Company has effectively managed its operating expenses in line with sales performance, which has contributed to an overall improvement in profitability in the first quarter of 2026 compared to the prior year.

**Key Developments**

The Company has been appointed as a distributor for additional products, including children’s snacks under the “Happy Bite” and “Bin Bin” brands, as well as skincare products under the “Mistine” brand. In addition, on November 7, 2025, the Company invested in JSW Asset Co., Ltd., acquiring a 26% equity stake. The Company also places strong emphasis on improving operational efficiency, including investments in information technology (IT) systems and customer database platforms to collect and analyze data. These initiatives aim to support product development and strengthen customer relationships. Furthermore, the Company has managed its excess liquidity through a share repurchase program (Treasury Stock), which was completed on February 19, 2025.

**Results of Operations for the first quarter of Year 2026 (3 months)**

	Q1/2026	Q1/2025	Change	
			Amount	%
Sales of goods	216.0	210.2	5.8	2.8
Other income	10.2	12.2	(2.0)	(16.4)
Total revenues	226.2	222.4	3.8	1.7
Cost of sales	122.8	116.2	6.6	5.7
Selling and distribution expenses	67.5	67.2	0.3	0.4
Administrative expenses	28.9	31.4	(2.5)	(8.0)
Share of profit in associate	14.9	8.5	6.4	75.3
<b>Profit before finance cost and income tax expenses</b>	<b>21.9</b>	<b>16.1</b>	<b>5.8</b>	<b>36.0</b>
Finance cost	(0.3)	(0.3)	-	-
Income tax expenses	(1.0)	(1.0)	-	-
<b>Profit for the Period</b>	<b>20.6</b>	<b>14.8</b>	<b>5.8</b>	<b>39.2</b>

**Sales Revenues**

In Q1/2026, the Company reported sales revenue of 216 million baht, an increase of 5.8 million baht or 2.8% compared to the same quarter of the previous year. This increase was mainly driven by products for which the company has been appointed as a distributor, including new products, with most revenue growth coming from online sales channels due to shifting consumer behavior towards online purchasing.

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### Other Incomes

In Q1/2026, the Company reported other incomes of Baht 10.2 million, a decrease of Baht 2.0 million or 16.4% from Q1/2025. The decrease was mainly due to delivery income.

### Cost of sales

In Q1/2026, the Company reported cost of sales of Baht 122.8 million, an increase of Baht 6.6 million or 5.7% from Q1/2025. The main reason was the increase in sales revenue and a decrease in the proportion of low-cost products, particularly in baby and mom products, which resulted in higher overall costs.

### Selling and distribution expenses

In Q1/2026, the Company reported selling expenses of Baht 67.2 million, reflecting an increase of Baht 0.3 million or 0.4% from Q1/2025. The increase was mainly driven by higher e-commerce platform fees, personnel expenses and marketing costs, partially offset by lower warehouse and delivery expenses.

### Administrative expenses

In Q1/2026, the Company incurred administrative expenses amounting to 31.4 million baht, a decrease of 2.5 million baht or 8.0% from Q1/2025. The decrease in expenses was mainly due to corporate branding in the previous year to reflect the overall value of the company's business.

### Net Profit

In Q1/2026, the company reported net profit of Baht 20.6 million or 9.1% of sales of goods, which represents an increase of Baht 5.8 million or 39.2% from Q1/2025. As discussed above, the increase was primarily driven by share of profit from associates accounted for using the equity method.

### Financial Positions Analysis

Financial Data (Unit: Million Baht)	31 March 2026	31 December 2025	Change	
			Amount	%
Total Assets	1,324.7	1,308.6	16.1	1.2
Total Liabilities	276.9	282.8	(5.9)	(2.1)
Shareholders' equity	1,047.8	1,025.8	22.0	2.1

### Total assets

As of 31 March 2026, the company had total assets of Baht 1,324.7 million, an increase of Baht 16.1 million or 0.2% from December 31, 2025 the changes were as follows:

- Cash and cash equivalents increased by Baht 27.3 million due to changes in net cash from operating activities, investing activities, and financing activities.
- Trade and other receivables decreased by Baht 6.1 million due to more efficient collection from customers. The company credit term policy is about 7-90 days. The average collection period has improved to 78 days, which is an increase of 1 day from the end of 2025.
- Inventories increased by Baht 6.5 million due to purchasing goods to support sales plans. The average inventory has increased to 71 days, which is an increase of 7 days from the end of 2025.
- Investment in associate decreased by Baht 13.2 million due to a decrease in dividend income of Baht 28.2 million and increase in share of income of Baht 14.8 million for three months of 2026
- Right-of-use and Intangible assets decreased by Baht 2.6 million, due to an increase in accumulated depreciation and amortization from depreciation and amortization expenses recorded during the period.

### Total Liabilities

As of 31 March 2026, the company had total liabilities of Baht 276.9 million, a decrease of Baht 5.9 million or 2.1% from December 31, 2025 was mainly due to a decrease in trade and other payables and lease liabilities, in line with payment schedules. The average payment period has increased to 87 days, which is an increase of 10 days from the end of 2025.

**Total Equity**

As of 31 March 2026, the company reported shareholders' equity of Baht 1,047.8 million, reflecting an increase of Baht 22.0 million or 2.1% from December 31, 2025, mainly due to net profit of Baht 20.6 million for the three months of 2026, resale of treasury stock of Baht 1.1 million and the remeasurement of employee benefit obligations of Baht 0.2 million.

**Liquidity and Working Capital**

Statement of cash flow (Unit : Million baht)	For the three months		
	Jan - Mar 2026	Jan - Mar 2025	Change
Net cash flows from (used in) operation activities	(2.0)	25.1	(27.1)
Net cash flows from (used in) investing activities	30.5	189.9	(159.4)
Net cash flows from (used in) financing activities	(1.2)	(2.8)	1.6
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>27.3</b>	<b>212.2</b>	<b>(184.9)</b>
Beginning cash	259.1	204.4	54.7
<b>Ending cash</b>	<b>286.4</b>	<b>416.6</b>	<b>(130.2)</b>

For the three months period of year 2026 compared with the same period of year 2025, the company had a decrease in cash and cash equivalents of Baht 184.9 million. The summary is as follows:

- Cash flow from operating activities of Baht 2.0 million, a decrease of Baht 27.1 million from the prior year due to in working capital management, particularly trade receivables, trade payable and inventories
- Cash flow from investing activities of Baht 30.5 million, a decrease of Baht 159.4 million from compared to the prior year, was mainly due to lower dividend income received from investments in associates.
- Cash flow (used in) financing activities of Baht 1.2 million, a decrease of Baht 1.6 million from compared to the prior year, was mainly due to the disposal of treasury shares during the current period of Baht 0.9 million and no additional treasury share repurchases resulting in a decrease in cash used of Baht 1.1 million

**Key Financial Ratios**

Description	Unit	31 March 2026	31 December 2025
<b>Liquidity Ratios</b>			
Current Ratio	Time	2.66	2.45
<b>Working Capital Ratios</b>			
Collection period	days	78	77
Inventory turnover period	days	71	64
Payment period	days	87	77
Cash cycle	days	62	64
<b>Debt to Equity Ratio</b>			
Debt to Equity Ratio	%	0.26	0.28

**Remark:**

Current Ratio	=	Current Assets / Current Liabilities
Account Receivable Turnover	=	Sales / Average Account Receivable
Collection Period	=	365/Account Receivable Turnover
Inventory Turnover	=	Cost of Goods Sold/ Average Inventory
Inventory Period	=	365/Inventory Turnover

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Account Payable Turnover	=	Cost of Goods Sold/Average Account Payable
Payment Period	=	365/Account Payable Turnover
Cash Cycle	=	Collection Period + Inventory Period - Payment Period
Debt to Equity	=	Total Liabilities/Total shareholders' equity

**Factors impact on the company's operations and future growth**

The slowing economy and declining birth rates have an impact on the company's revenue. However, the company remains focused on its expertise in health and wellness, leveraging the growth of the elderly population while implementing strategies to develop innovative products that meet consumer demand. Efforts are also underway to enhance brand awareness and pursue new business opportunities to support sustainable future growth. These proactive measures demonstrate a commitment to adapting to market challenges and positioning the company for long-term success.

**Impact of the Middle East Conflict**

The ongoing geopolitical tensions in the Middle East have led to increased global energy prices and higher raw material costs, driven by supply disruptions and pressure on global supply chains. These factors have resulted in increased operating costs for the Company, particularly in product costs, logistics, and energy-related expenses.

To mitigate these impacts, the Company has implemented proactive measures, including negotiating with suppliers to maintain stable input costs, identifying alternative sourcing options to reduce dependency risks, and improving operational efficiency to offset cost pressures. At the same time, the Company will consider price adjustments where necessary, taking into account market conditions and potential impacts on consumers.

**Sustainable Development Initiatives**

The company has achieved an ESG rating of A, highlighting its commitment to sustainable development. This rating reflects the alignment of its practices with the company's vision and business policies, emphasizing the importance of environmental, social, and governance factors in its operations. Such recognition not only enhances the company's reputation but also demonstrates its dedication to responsible business practices, which can attract socially conscious consumers and investors.

Please be informed accordingly.

Yours sincerely,

*-signature-*

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