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No. SNNP 010/2569

5 May 2026

Subject Management Discussion and Analysis for Q1/2026 ended 31 March 2026

To Managing Director
Stock Exchange of Thailand

Srinanaporn Marketing Public Company Limited and its subsidiaries (the "Company") would like to clarify the operating results for the period ended 31 March 2026, which has been audited by certified public accountant as follows:

1. Business Overview of Q1/2026



In the first quarter of 2026, the global economy continued to slow down amid ongoing economic and trade uncertainties, together with escalating conflicts in the Middle East in late February 2026. These factors led to higher energy and commodity prices, which pressured production and transportation costs across many industries. In addition, uncertainty surrounding U.S. import tariff measures continued to weigh on global trade.⁽¹⁾ Meanwhile, Thailand's economy continued to expand at a low level, with the 2026 GDP growth forecast revised down to 1.4% from 1.8%. The downgrade was driven by rising energy prices, which accelerated inflation beyond the target range and pressured consumer purchasing power, resulting in slower domestic consumption.⁽¹⁾

In Q1/2026, the Company's revenue from sales was THB 1,271.7 million, a decrease of THB 102.1 million or 7.4% compared to the previous quarter. The decline was mainly driven by lower domestic sales due to weaker consumption, together with seasonal factors, as Q1 typically has lower sales compared to Q4, which includes major festive periods. Domestic sales revenue was THB 1,015.8 million, a decrease of THB 78.4 million or 7.2% compared to the previous quarter. Overseas sales were THB 255.9 million, a decrease of THB 23.7 million or 8.5% compared to the previous quarter, mainly due to the global economic slowdown and the continued impact of the Thai-Cambodian border situation. However, the Company saw positive momentum in Vietnam, where sales were THB 145.5 million, an increase of THB 33.7 million or 30.2% compared to the same period last year, supported by the continued recovery in economic and tourism activities since late 2025, improving domestic consumption, and stronger product demand amid global uncertainties.

Gross profit declined due to lower production volume, while certain fixed costs remained, together with cost management, to mitigate risks from the Middle East conflict. In addition, selling and administrative expenses increased from marketing and promotional activities under the business plan. As a result, net profit attributable to owners of the parent in Q1/2026 was THB 60.3 million, a decrease of THB 28.3 million or 31.9% compared to the previous quarter.

2. Important Events in 1Q/2026

- The Company completed the registration of its capital reduction through the cancellation of 59,994,900 treasury shares with a par value of THB 0.50 per share with the Department of Business Development, Ministry of Commerce, on 16 March 2026, resulting in a total of 900,005,100 issued shares.
- The Company has launched new products as follows:




Lotus Drumstick

American Style Cheese
(distributed through general
trade channels).



Lotus Prawn cracker

Seafood Squid, Tomato, and Seaweed flavor
(distributed through general
trade channels).

3. Operating Results of 1Q/2026

Statement of Income (Unit: Million Baht)	Three-month period ended 31 March				
	Q1/25	Q4/25	Q1/26	Increased (Decreased)	
				QoQ (%)	YoY (%)
Revenue from sales	1,485.5	1,373.8	1,271.7	-7.4%	-14.4%
Other income	10.8	0.6	14.0	2083.7%	29.3%
Total revenues	1,496.3	1,374.4	1,285.7	-6.5%	-14.1%
Cost of sales	(1,033.5)	(983.0)	(938.8)	-4.5%	-9.2%
Gross profit	452.0	390.8	332.9	-14.8%	-26.4%
Selling expenses	(178.6)	(172.6)	(195.8)	13.4%	9.6%
Administrative expenses	(66.4)	(76.0)	(62.6)	-17.6%	-5.6%
Profit before finance costs and income taxes	217.8	142.8	88.5	-38.1%	-59.4%
Finance costs	(6.7)	(12.6)	(11.9)	-5.8%	77.3%
Share of loss of investment in a joint venture	(5.2)	(4.4)	(3.8)	-13.4%	-27.7%
Profit before income taxes	205.9	125.8	72.8	-42.1%	-64.6%
Income taxes	(34.3)	(40.5)	(16.2)	-60.1%	-52.9%
Profit (loss) attributable to:					
- Owners of the parent	170.4	88.6	60.3	-31.9%	-64.6%
- Non-controlling interests	1.2	(3.3)	(3.7)	11.1%	-401.1%
Net profit	171.6	85.3	56.6	-33.6%	-67.0%
Earnings per share	0.18	0.10	0.07		
Gross profit Margin	30.4%	28.4%	26.2%	-2.2%	-4.2%
%Selling expenses to sales	12.0%	12.6%	15.4%	2.8%	3.4%
%Administrative expenses to sales	4.5%	5.5%	4.9%	-0.6%	0.4%
Net Profit Margin	11.6%	6.2%	4.5%	-1.7%	-7.1%

Revenue

Revenue from sales (Unit: Million Baht)	Three-month period ended 31 March				
	Q1/25	Q4/25	Q1/26	Increased (Decreased)	
				QoQ (%)	YoY (%)
Revenue from domestic sales	1,199.3	1,094.2	1,015.8	-7.2%	-15.3%
Revenue from overseas sales	286.2	279.6	255.9	-8.5%	-10.6%
Total revenue from sales	1,485.5	1,373.8	1,271.7	-7.4%	-14.4%

Revenue from sales in Q1/2026 was THB 1,271.7 million, a decrease of THB 213.8 million or 14.4% compared to the same period last year and a decrease of THB 102.1 million or 7.4% compared to the previous quarter, mainly due to the slowdown in both domestic and overseas markets. Domestic sales were THB 1,015.8 million, a decrease of THB 183.5 million or 15.3% compared to the same period last year and a decrease of THB 78.4 million or 7.2% compared to the previous quarter, driven by weaker consumption and more cautious spending amid economic pressures and conflict uncertainties, while overseas sales were THB 255.9 million, a decrease of THB 30.3 million or 10.6% compared to the same period last year and a decrease of THB 23.7 million or 8.5% compared to the previous quarter, due to the global economic slowdown and the continued impact of the Thai-Cambodian border situation. However, the Company saw positive momentum in Vietnam, where sales were THB 145.5 million, an increase of THB 33.7 million or 30.2% compared to the same period last year, supported by the continued recovery in economic and tourism activities since late 2025, improving domestic consumption, and stronger demand amid global uncertainties.

Cost of Sales

Cost of sales in Q1/2026 was THB 938.8 million, a decrease of THB 94.7 million or 9.2% compared to the same period last year and a decrease of THB 44.2 million or 4.5% compared to the previous quarter, in line with the decline in sales revenue and lower production volume.

Gross Profit

Gross profit in Q1/2026 was THB 332.9 million, a decrease of THB 119.1 million or 26.4% compared to the same period last year and a decrease of THB 57.9 million or 14.8% compared to the previous quarter. The gross profit margin was 26.2%, a decrease of 4.2% compared to the same period last year, mainly due to lower production volume while fixed costs remained. The margin is expected to improve once sales return to normal levels. In addition, the Company implemented cost management to mitigate raw material shortages amid the Middle East conflict. Compared to the previous quarter, the gross profit margin decreased by 2.2% due to the same factors, together with a higher proportion of beverage sales, which typically carry lower margins than snack products.

Selling and Administrative Expenses

Selling expenses in Q1/2026 were THB 195.8 million, an increase of THB 17.2 million or 9.6% compared to the same period last year and an increase of THB 23.2 million or 13.4% compared to the previous quarter. Selling expenses to sales were 15.4%, an increase of 3.4% compared to the same period last year

and 2.8% compared to the previous quarter, driven by marketing and promotional activities under the business plan to support sales amid the economic slowdown, together with fixed costs that remained at normal levels. This ratio is expected to improve once sales return to normal levels.

Administrative expenses in Q1/2026 were THB 62.6 million, a decrease of THB 3.8 million or 5.6% compared to the same period last year and a decrease of THB 13.4 million or 17.6% compared to the previous quarter. Administrative expenses to sales were 4.9%, an increase of 0.4% compared to the same period last year but a decrease of 0.6% compared to the previous quarter, due to improved internal cost management.

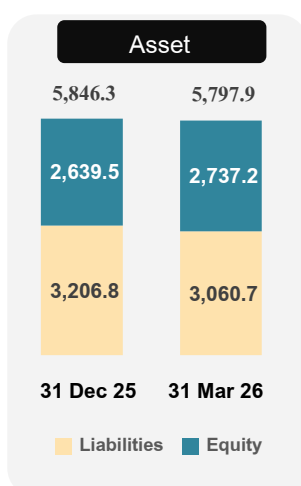
Net Profit attributable to owners of the parent

Description (Unit: Million Baht)	Three-month period ended 31 March			Increased (Decreased)	
	Q1/25	Q4/25	Q1/26	QoQ (%)	YoY (%)
	Net profit attribute to owners of the parent	170.4	88.6	60.3	-31.9%
<u>Adjust</u> Share of loss of investment in a Joint venture	5.2	4.4	3.8	-13.4%	-27.7%
Net profit attribute to owners of the parent from core business operating results	175.6	93.0	64.1	-31.0%	-63.5%
Net profit attribute to owners of the parent from core business margin	11.8%	6.8%	5.0%		

Net profit attributable to owners of the parent in Q1/2026 was THB 60.3 million, a decrease of THB 110.1 million or 64.6% compared to the same period last year and a decrease of THB 28.3 million or 31.9% compared to the previous quarter, mainly due to slower sales, lower gross profit margin, and higher selling expenses from marketing and promotional activities, particularly fixed costs that remained at normal levels.

Meanwhile, net profit from core operations in Q1/2026 was THB 64.1 million, a decrease of THB 111.5 million or 63.5% compared to the same period last year and a decrease of THB 28.9 million or 31.0% compared to the previous quarter, due to the same factors mentioned above.

4. Financial Position



- Total assets as of 31 March 2026 were THB 5,797.9 million, a decrease of THB 48.4 million or 0.8% compared to 31 December 2025.
- Total liabilities as of 31 March 2026 were THB 3,060.7 million, a decrease of THB 146.1 million or 4.6% compared to 31 December 2025, mainly due to lower borrowings from financial institutions.
- Shareholders' equity as of 31 March 2026 was THB 2,737.2 million, an increase of THB 97.7 million or 3.7% compared to 31 December 2025.
- Cash and cash equivalents as of 31 March 2026 were THB 119.9 million.

5. Sustainable Development

In the first quarter of 2026, the Company advanced 15 sustainability initiatives aligned with its updated Materiality Assessment, reinforcing the integration of sustainability priorities into business operations. During the quarter, the Company also disclosed its 2025 Sustainability Report on the corporate website in accordance with GRI Standards, IFRS Sustainability Disclosure Standards, and the sustainability disclosure guidance of the Stock Exchange of Thailand. In addition, the Company published its sustainability performance results under the GRI Standards framework, covering all three dimensions of sustainability: economic, social, and environmental, to enhance transparency and accessibility for all stakeholders. The Company also participated in the JUMP+ program to strengthen capabilities and drive accelerated and sustainable business growth.

In supply chain management, the Company formally disclosed its sustainable supply chain management approach and began implementing a quantitative Risk Scoring system for supplier screening and evaluation for the first time. This system is designed to strengthen supplier risk assessment through a more structured and measurable process. In parallel, the Company developed its ESG Screening – Self Assessment for suppliers, which enables both quantitative and qualitative assessment of supplier sustainability performance. The Company targets full implementation of this assessment framework across 100% of suppliers by 2030, supporting a more resilient and sustainable supply chain management system over the long term.

For water risk management, the Company has disclosed site-specific water risk assessment results across its operating locations to strengthen water risk governance in a more systematic manner. Water-related risks have been further linked to operational impacts, cost implications, and financial considerations, and integrated into the sustainability risk management framework in alignment with IFRS S1. This reflects the Company's concrete progress in enhancing water resource risk management in a more structured and financially connected manner, supporting long-term resilience and sustainable business continuity.

Please be informed accordingly,

Sincerely Yours,

-Signed-

(Mr. Supachoke Bumrungpun)

Chief Financial Officer

Source

⁽¹⁾ SCBEIC, 2026, Outlook Quarter 1/2026