August 13, 2026

Subject: Clarification of Operating Results for the Second Quarter of 2026

To: Managing Director, the Stock Exchange of Thailand

New City (Bangkok) Public Company Limited would like to clarify its operating performance for the second quarter ended June 30, 2026. The Company remains committed to developing products and expanding marketing channels to enhance brand awareness and meet evolving consumer demands.

In June 2026, the Company participated in the **30th Saha Group Fair & Fest**, held at the Bangkok International Trade & Exhibition Centre (BITEC), Bangna, from June 25 to 28, 2026. This served as another vital channel for showcasing products, creating engaging consumer experiences, and reinforcing brand recognition and image in the market.

At the event, the Company presented products under the **"CHERILON"** brand—an innerwear brand that has stood alongside consumers for over 62 years. The Company also launched its latest product innovation, the **"Invisible Collection,"** developed to align with the lifestyle of modern women by emphasizing design, comfort, confidence, and practical daily wear.

Furthermore, the Company prioritizes operating its business alongside social and environmental responsibility through the **"LEG OF HOPE"** project. This initiative accepts donations of used pantyhose to be recycled and utilized in the production of prosthetic legs for amputees, reflecting the Company's commitment to creating shared value for society and the environment while driving sustainable business growth.

The details of the operating performance changes are as follows:

1. Operating Results for Q2/2026 (3 months)

	Equity Method				Company Only			
Items (Unit: Million Baht)	**2026** 1 Apr - 30 Jun	**2025** 1 Apr - 30 Jun	Change Amount	Change %	**2026** 1 Apr - 30 Jun	**2025** 1 Apr - 30 Jun	Change Amount	Change %
Revenue								
Net sales	106.38	118.02	-11.64	-9.86	106.38	118.02	-11.64	-9.86
Other income	6.34	6.50	-0.16	-2.46	6.71	6.50	0.21	3.23
Gain from investment in associates					0	2.09	-2.09	-100
Total Revenue	112.72	124.52	-11.80	-9.48	113.09	126.61	-13.51	-10.67
Expenses								
Cost of sales	68.06	79.09	-11.03	-13.95	68.06	79.09	-11.03	-13.95
Selling expenses	34.62	30.79	3.83	12.44	34.62	30.79	3.83	12.44

Administrative expenses	9.64	10.09	-0.45	-4.46	10.26	10.09	0.17	-1.68
Finance costs	0.87	1.19	-0.32	-26.89	0.87	1.19	-0.32	-26.89
Total Expenses	113.18	121.16	-7.98	-6.59	113.80	121.16	-7.36	-6.07
Share of profit (loss) from investment in associates	0.64	1.86	-1.22	-65.59				
Income tax expense (income)	0.74	1.04	-0.30	-28.85	0.61	1.45	-0.84	-57.93
Net profit (loss) for the period	**-0.56**	**4.19**	**-4.75**	**-113.37**	**-1.33**	**3.99**	**-5.32**	**-133.33**

Revenue from sales decreased by **THB 11.64 million** or **9.86%** compared to the same period of the previous year. For the three-month period, wholesale channel sales dropped by **24.05%** due to stores delaying product imports.

Sales through department store channels for the three-month period decreased by **9.65%** year-on-year, primarily driven by changes in consumer behavior.

Conversely, the Company recorded an **8.48%** year-on-year increase in online channel sales, reflecting shifting consumer behavior toward purchasing products online, driven by the expansion of E-Commerce and Social Commerce platforms.

In addition, economic conditions and unrest in the Middle East—key factors driving global oil price trends and volatility—led to heightened uncertainty in energy costs and the cost of living. Coupled with consumers exercising greater caution in spending and prioritizing essential, value-for-money products, these factors impacted purchasing decisions and overall sales performance during the quarter.

1.2 Other Income

Other income decreased compared to the same period last year, primarily due to lower commission income.

1.3 Profit from Investments in Associates (Separate Financial Statements)

Profit from investments in associates in the separate financial statements for the same accounting period decreased by **100%**. This was caused by a decline in the operating performance of associate companies, which incurred net losses during the period. As a result, the Company recognized no profit from investments in associates in this period.

1.4 Cost of Sales

Cost of sales stood at **63.98%**, a decrease of **3.04%** compared to the same accounting period of the previous year. The main reason was the systematic management and pricing structure under the Company's Master Plan, which planned and controlled selling prices in line with product costs, market conditions, and competitive intensity. Consequently, the cost-of-sales ratio declined, helping preserve the Company’s gross profit margin.

1.5 Distribution Costs

Distribution costs for the three-month period increased by **THB 3.83 million** or **12.44%** year-on-year. The primary drivers were higher expenses for online sales promotional activities, as well as costs related to organizing marketing events and exhibitions to promote brand awareness, stimulate sales, and expand consumer reach.

1.6 Administrative Expenses

Administrative expenses for the three-month period decreased by **THB 0.45 million** or **12.44%** year-on-year, mainly due to reductions in employee-related expenses and property lease fees following the early termination of the lease contract for the Central Udon Thani branch.

1.7 Finance Costs

Finance costs for the three-month period decreased by **THB 0.32 million** or **20.13%** year-on-year. This was primarily due to an **18.72%** reduction in bank overdraft utilization, along with lower short-term borrowing interest rates in 2026 (ranging from **1.75%–1.90%** per annum, down from **2.03%–2.35%** per annum in 2025).

1.8 Share of Profit from Investments in Associates

The share of profit from investments in associates for the three-month period decreased by **THB 1.22 million** or **65.59%** year-on-year due to lower operating results from associate investments.

1.9 Profit (Loss) for the Three-Month Period Ended June 30

Financial statements in which the equity method is applied: Reported a net loss of **THB 0.56 million**, representing an increase in loss of **THB 4.75 million** or **113.37%** compared to the same period last year.

Separate financial statements: Reported a net loss of **THB 1.33 million**, representing an increase in loss of **THB 5.32 million** or **133.33%** year-on-year.

Key factors contributing to the results:

1.9.1 **9.86%** decrease in sales revenue.

1.9.2 **12.44%** increase in distribution costs.

1.9.3 **65.59%** decline in share of profit from associates.

2. Operating Results for Q2/2026 (6 months)

Equity Method					Company Only			
Items (Unit: Million Baht)	**2026** 1 Jan - 30 Jun	**2025** 1 Jan - 30 Jun	Change Amount	Change %	**2026** 1 Jan - 30 Jun	**2025** 1 Jan - 30 Jun	Change Amount	Change %
Revenue								
Net sales	222.70	249.72	-27.02	-10.82	222.70	249.72	-27.02	-10.82
Other income	7.92	8.16	-0.24	-2.94	8.54	8.16	0.38	4.66
Gain from investment in associates					0.27	3.11	-29.73	-11.39
Total Revenue	230.62	257.88	-27.26	-10.57	231.26	260.99	-2.84	-91.32
Expenses								
Cost of sales	146.33	171.08	-24.75	-14.47	146.33	171.08	-24.75	-14.47
Selling expenses	64.88	59.54	5.34	8.97	64.88	59.54	5.34	8.97
Administrative expenses	18.72	19.56	-0.84	-4.29	19.34	19.56	-0.22	-1.12
Finance costs	1.84	2.46	-0.62	-25.20	1.85	2.46	-0.61	-24.80
Total Expenses	231.78	252.64	-20.86	-8.26	232.40	252.64	-20.24	-8.01
Share of profit (loss) from investment in associates	2.35	0.19	2.16	1,136.84				
Income tax expense (income)	0.35	0.74	-0.39	-52.70	0.28	1.36	-1.08	-79.41
Net profit (loss) for the period	**0.84**	**4.68**	**-3.84**	**-82.05**	**-1.42**	**6.98**	**-8.40**	**-120.34**

3. Financial Position

Equity Method					Company Only			
(Unit: Million Baht)	30 Jun 2026	31 Dec 2025	Change Amount	Change %	30 Jun 2026	31 Dec 2025	Change Amount	Change %
Total assets	785.00	815.19	-30.19	-3.70	806.76	839.43	-32.67	-3.89
Total liabilities	307.67	336.62	-28.95	-8.60	307.67	336.62	-28.95	-8.60
Shareholders' Equity	477.34	478.58	-1.24	-0.26	499.09	502.81	-3.72	-0.74

3.1 Total Assets

Total assets decreased by **THB 30.19 million** or **3.70%** compared to December 31, 2025. Significant changes were as follows:

- **3.1.1 Trade and Other Current Receivables:** Decreased by **THB 19.76 million** or **19.95%** due to lower wholesale sales.
- **3.1.2 Inventories:** Decreased by **THB 29.57 million** or **8.54%** due to reduced purchase orders in line with lower sales volume.
- **3.1.3 Right-of-Use Assets - Net:** Decreased by **THB 5.73 million** or **48.35%** due to the early termination of the lease contract for the Central Udon Thani branch.
- **3.1.4 Deferred Tax Assets:** Decreased by **THB 1.50 million** or **5.52%** following tax base recalculations resulting from the early termination of the Central Udon Thani branch lease contract.

3.2 Total Liabilities

Total liabilities decreased by **THB 28.95 million** or **8.60%** compared to December 31, 2025. Significant changes were as follows:

- **3.2.1 Trade and Other Current Payables:** Decreased by **THB 22.53 million** or **25.64%** due to reduced product purchases.
- **3.2.2 Deferred Tax Liabilities and Lease Liabilities:** Deferred tax liabilities decreased by **THB 1.34 million** or **3.66%** due to the early termination of the Central Udon Thani branch lease contract, which affected deferred tax items across both assets and liabilities. Additionally, lease liabilities decreased by **THB 4.36 million** or **67.91%**.

3.3 Total Equity

Total equity decreased by **THB 1.24 million** or **0.26%** compared to December 31, 2025, due to a decline in operating performance for the six-month period ended June 30, 2026, relative to the same period last year:

- **Financial statements in which the equity method is applied:** Net profit stood at **THB 3.84 million**, a decrease of **82.05%** year-on-year.
- **Separate financial statements:** Reported a net loss of **THB 1.42 million**, representing an increase in loss of **120.34%** compared to the same period of the previous year.

4. Cash Flows Statement

Items	For the period ended		Change (Increase) / Decrease	
(Unit: Million Baht)	30 Jun 2026	30 Jun 2025	Amount	%
Net Cash Inflow (+) from Operating Activities	24.94	15.31	9.63	62.90
Net Cash Inflow (+) from Investing Activities	4.95	3.57	1.38	38.66
Net Cash (Outflow) from Financing Activities	-4.39	-3.54	-0.85	24.01
Net Increase in Cash and Cash Equivalents	25.50	15.34	10.16	66.23
Cash and Cash Equivalents at Beginning of Period	26.31	56.59	-30.28	-53.51
Cash and Cash Equivalents at End of Period	51.81	71.94	-20.13	-27.98

4.1 Net Cash Provided by Operating Activities

Net cash provided by operating activities was positive at **THB 24.94 million**. Key changes compared to the same period of 2025 included:

- **4.1.1 Decrease in Trade Receivables:** Resulted in an increase in cash collections from trade receivables. For the six-month period of 2026, cash inflows from collections totaled **THB 19.71 million**, an increase of **THB 9.22 million** or **87.89%** compared to **THB 10.49 million** in the same period last year, reflecting higher cash collections from customers.
- **4.1.2 Decrease in Inventories:** Cash flow impact from inventory reduction was **THB 43.61 million** or a **310.61%** improvement, driven by reduced product purchasing.

4.2 Net Cash Provided by Investing Activities

Net cash provided by investing activities was positive at **THB 4.95 million**, an increase of **THB 1.38 million** or **38.66%** year-on-year, primarily due to an **11.60%** increase in dividend income received.

4.3 Net Cash Used in Financing Activities

Net cash used in financing activities totaled **THB 4.39 million**, representing an increase of **THB 0.85 million** compared to the same period of the previous year. This was driven by a **2.01%** increase in dividend payments, along with the early termination of the lease contract for the Central Udon Thani branch, which led to a reduction in lease liabilities. After accounting for these transactions, the net cash flow variance amounted to **THB 2.59 million**.

Please be informed accordingly.

Sincerely Yours,

(Miss Sumang Chantrima)

Director