บริษัท ธนพิริยะ จำกัด(มหาชน)
สำนักงานใหญ่ : 329หมู่ 8ตำบลบ้านดู่ อำเภอเมืองเชียงราย จังหวัดเชียงราย 57100
THANAPIRIYA PUBLIC COMPANY LIMITED
Head Office : 329 Moo 8 Ban Du, Muang Chiang Rai, Chiang Rai 57100 Thailand

11 August 2026

Subject Management Discussion and Analysis for the second quarter on 30 June 2026

Attention Directors and Managers,
Stock Exchange of Thailand

Business Operations Overview

The Company operates a retail and wholesale business for consumer goods, with three main distribution channels:

1) Sales through supermarkets, which are the Company's 59 branches located in Chiang Rai, Chiang Mai, Phayao, and Lampang provinces

2) Wholesale channel from the head office

3) Sales through distributor agreements, which include both wholesale and retail channels sold via mobile units (Van Sale).

In second quarter 2026, the Company's total sales revenue from all three channels amounted to 853.59 million Baht, an increase of 14.90 % from the same period of previous year, and a total net profit of 55.22 million Baht, an increase of 9.57 % from the same period of previous year. For the first six months of 2026, the Company's total sales revenue amounted to 1,623.97 million Baht, an increase of 10.82 % from the same period of previous year, and a total net profit of 103.59 million Baht, an increase of 2.70 % from the same period of previous year.

In the first quarter of 2026, consumer purchasing power continued to decline, resulting in a 3.2% decline in same-store sales compared to the same period of the previous year. Nevertheless, the Company continued to execute its planned strategy to expand its revenue base. During the first quarter of 2026, the Company opened two new branches.

In the second quarter of 2026, the Company opened one new branch, while same-store sales grew by 4.9% compared with the same period of the previous year. In addition, the government introduced measures to support consumer purchasing power through the “Thai Chuay Thai Plus” project for a period of four months from June to September 2026. One of the program’s key measures is the “Thai Chuay Thai Plus 60/40” scheme, under which the government subsidizes 60% of purchases made at participating stores, subject to a maximum of Baht 1,000 per person per month. This measure has positively contributed to the Company’s wholesale distribution channel, as participating small retailers have increased their wholesale purchases from the Company for resale to consumers. In addition, the government increased the monthly allowance for the welfare card holders from Baht 300 to Baht 1,000 per person throughout the four-month program, This measure has further supported sales through the Company’s branches, particularly targeting welfare card holders.

Summary of significant events and developments

Branch expansion

	2022	2023	2024	2025	H1/2026
Number of branches at the beginning of the period	38	42	45	50	56
Open branches	4	4	5	6	3
Branch closed*	-	(1)	-	-	-
Number of branches at the end of the period	42	45	50	56	59

*In 2022, one branch is closed due to end of rental agreement (BanDu Branch)

The Company opened 3 new branches in first haft year 2026, which are as follows

Branch Name	Opening Month	Location
Fang 2 Branch	February	Wieng Subdistrict, Fang District, Chiang Mai Province
Mae Na-Ruea Branch	March	Mae Na-Ruea Subdistrict, Mueang District, Phayao Province
Ngao Branch	May	Luang Nuea Subdistrict, Ngao District, Lampang Province

Participation in the Company Value Creation program (JUMP+) On February 25, 2026, the company's board of directors approved participation in the Company Value Enhancement Plan (JUMP+) program, which consists of two main plans:

- Business Plan: To increase growth in two channels: 1) Branch expansion, with an expected increase of 30 branches in 3 years (2026 to 2028), and 2) Increasing sales channels through authorized distributor agreements.
- Corporate Governance Plan: Which comprises three main topics: 1) Enhancing the competency of the board of directors, 2) Enhancing anti-corruption and fraud prevention, and 3) Formulation of a succession plan for the managing director, executive management, and critical roles.

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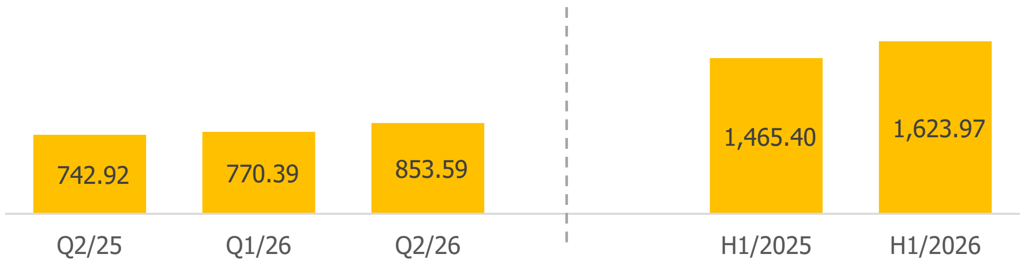
Operating performance overview

Unit: Million Baht	Amount			Change QoQ		Change YoY		Amount		Change YoY	
	Q2/25	Q1/26	Q2/26	Amount	%	Amount	%	H1/25	H1/26	Amount	%
Revenues from sales	742.92	770.39	853.59	83.20	10.80%	110.67	14.90%	1,465.40	1,623.97	158.58	10.82%
Cost of sales	606.22	630.09	699.76	69.66	11.06%	93.54	15.43%	1,194.61	1,329.85	135.25	11.32%
Gross profits	136.70	140.29	153.83	13.54	9.65%	17.13	12.53%	270.79	294.12	23.33	8.62%
- Gross profit margin	*18.40%*	*18.21%*	*18.02%*					*18.48%*	*18.11%*		
Other revenues	4.11	3.66	3.90	0.24	6.63%	- 0.20	- 4.99%	8.05	7.56	- 0.49	- 6.04%
Distribution costs	52.34	55.06	61.09	6.04	10.96%	8.75	16.73%	101.54	116.15	14.61	14.39%
Administrative expenses	25.07	27.96	26.99	- 0.97	- 3.48%	1.93	7.68%	50.50	54.95	4.45	8.81%
Profit from operating activities	63.41	60.93	69.65	8.72	14.31%	6.24	9.84%	126.79	130.58	3.79	2.99%
Financial cost	0.74	0.93	0.95	0.02	2.05%	0.21	28.22%	1.51	1.88	0.37	24.41%
Income tax expense	12.27	15.47	13.48	- 1.99	-12.88%	1.21	9.84%	24.42	25.10	0.69	2.82%
Net profit	50.40	48.37	55.22	6.85	14.15%	4.82	9.57%	100.86	103.59	2.73	2.70%
- Net profit margin	*6.75%*	*6.25%*	*6.44%*					*6.85%*	*6.35%*		
Depreciation and amortization	15.32	16.47	17.02	0.55	3.32%	1.70	11.13%	30.42	33.49	3.07	10.10%
EBITDA	78.72	77.40	86.67	9.26	11.97%	7.94	10.09%	157.21	164.07	6.86	4.36%
- EBITDA Margin (%)	*10.54%*	*10.00%*	*10.11%*					*10.67%*	*10.06%*		

Key financial Ratios

	Q2/25	Q1/26	Q2/26
Current ratio (time)	2.36	2.28	2.49
Cash cycle (days)	47.29	46.04	51.54
Return on Assets ratio (%)	12.95	12.40	12.62
Return on Equity ratio (%)	16.72	16.08	16.32
Debt to Equity ratio (time)	0.30	0.31	0.29

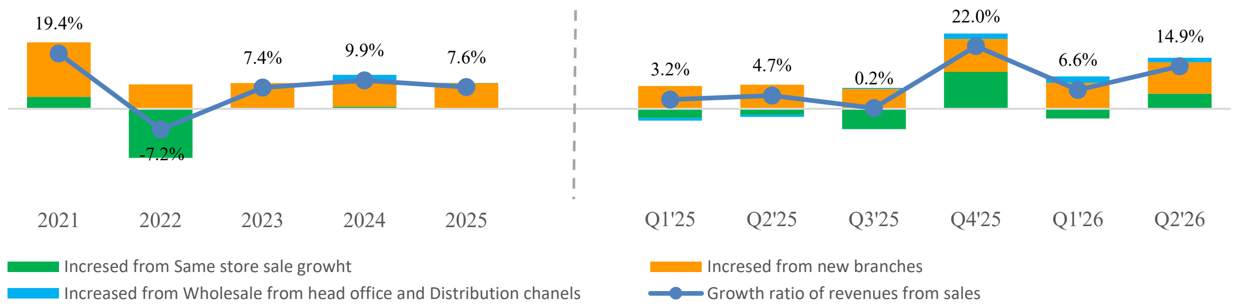
Revenues from sales



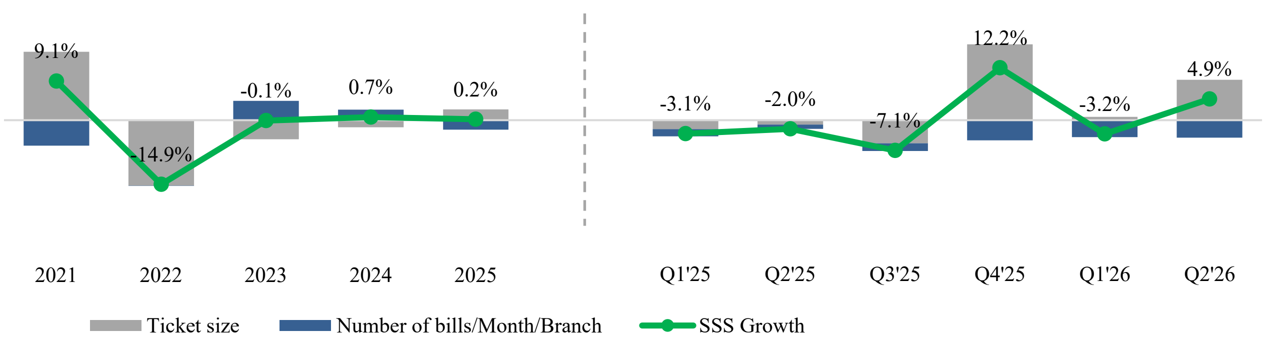
Sales revenue for the second quarter of 2026 amounted to Baht 853.59 million, an increase of Baht 110.67 million or 14.90% compared to the same period of the previous year, and an increase of Baht 83.20 million or 10.80% compared to the first quarter of 2026.The increase was mainly attributable to higher sales from the Company's branches, driven by the opening of new stores. Meanwhile, same-store sales growth (SSSG) increased by 4.9% compared to the same period of the previous year. Sales also increased through the wholesale channel at the Head Office and through authorized distributors.

Sales revenue for the six-month period of 2026 increased by Baht 158.58 million or 10.82% compared to the same period of the previous year. The increase was mainly attributable to higher sales from the Company's branches following the opening of new stores, as well as increased sales through the wholesale channel at the Head Office and through authorized distributors.

Overview of revenue growth from sales

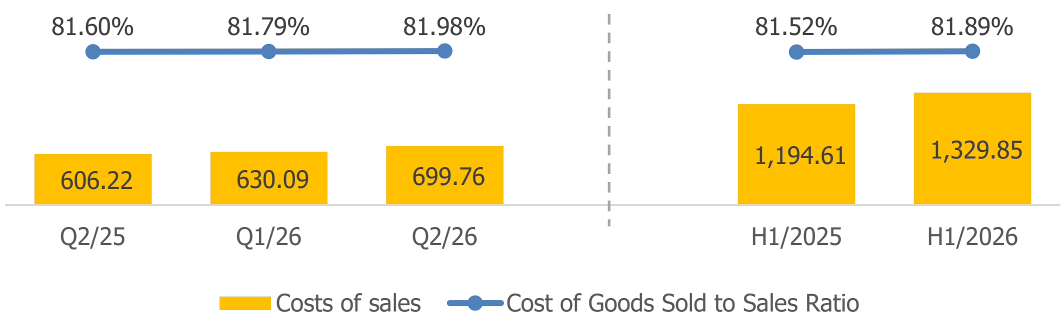


Revenue growth from existing branches (SSS Growth)



Same-store sales growth (SSSG) in Q2 2026: Same-store sales increased by 4.9% compared to the same period last year. The average sales per bill increased while the number of bills decreased. The government introduced measures to support consumer purchasing power through the "Thai Chuay Thai Plus" project for a period of four months, from June to September 2026. This increased the allowance for holders of the welfare card from 300 Baht to 1,000 Baht per person per month, starting in June 2026. As a result, welfare card holders increased their purchases of consumer goods at the company's branches in June 2026. However, the company did not participate in the 60/40 co-payment scheme because that scheme only allowed participation from small businesses. Consumers receiving subsidies under the co-payment scheme therefore purchased more goods from small businesses, resulting in a decrease in the number of sales bills.

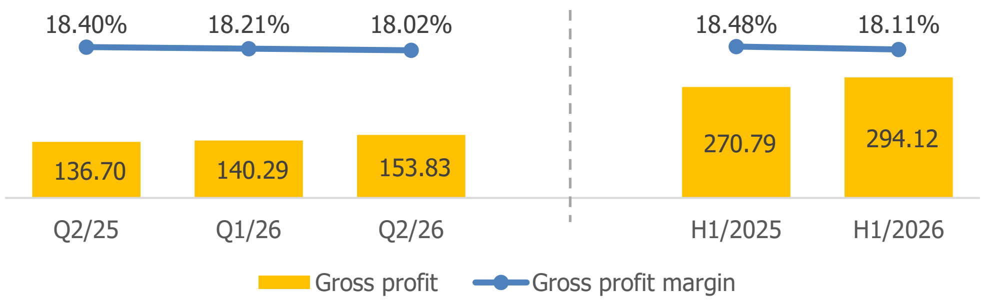
Cost of sales



Cost of sales for Q2 2026 amounted to 699.76 million Baht, an increase of 93.54 million Baht, or 15.43%, compared to the same period of the previous year, and an increase of 69.66 million Baht, or 11.06%, compared to the first quarter of 2026. The cost of sales to revenue ratio in the second quarter of 2026 was 81.98%, compared to 81.79% in the first quarter of 2026 and 81.60% in the second quarter of 2025. The increase in the cost of sales to revenue ratio is due to exceptionally high sales during the period of government projects to support consumer purchasing power in June 2026, such as beverages and instant noodles, which have lower gross profit margins than other product groups.

Cost of sales for the first six months period of 2026 amounted to 1,329.85 million Baht, an increase from the same period of the previous year in the amount of 135.25 million Baht, equivalent to 11.32 %. The cost of sales to sales revenue ratio, percentage for the 6-month period of 2026 was 81.89 %, the 6-month period of 2025 was 81.52 %, an increase in the cost of sales to income ratio compared to the same period of the previous year. This is due to an increase from the wholesale channel through the head office and sales through the authorized distributor channel, which has a lower gross profit margin than retail sales through branches. and sales of products that increased especially during the "Thai Chuay Thai Plus" project in in June 2026, such as beverages, instant noodles, etc., which have a lower gross profit than other product groups.

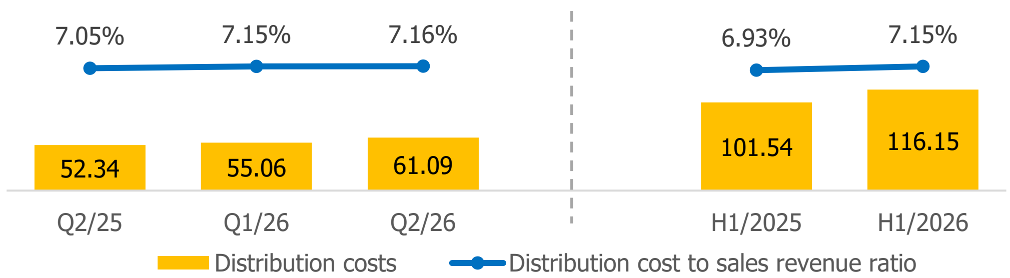
Gross Profit



Gross profit for the Q2 2026 amounted to 153.83 million Baht, an increase of 17.13 million Baht, or 12.53%, compared to the same period of the previous year, and an increase of 13.54 million Baht, or 9.65%, compared to the first quarter of 2026. The increase in gross profit is due to the overall increase in the company's sales. The gross profit margin decreased due to the exceptionally high sales of products during the " Thai Chuay Thai Plus " project in June 2026, such as beverages and instant noodles, which have lower gross profit margins than other product groups.

Gross profit for the first six months of 2026 amounted to 294.12 million Baht, an increase of 23.33 million Baht, or 8.62 %, compared to the same period of the previous year. This increase in gross profit is due to the overall increase in the company's sales. The gross profit margin for the first six months of 2026 was 18.11%, compared to 18.48% for the same period of 2025. The decrease in the gross profit margin is due to increased sales through wholesale channels via the head office and authorized distributors, which have lower gross profit margins than retail sales through branches, and exceptionally high sales of products during the " Thai Chuay Thai Plus " project in June 2026, such as beverages and instant noodles, which have lower gross profit margins than other product groups.

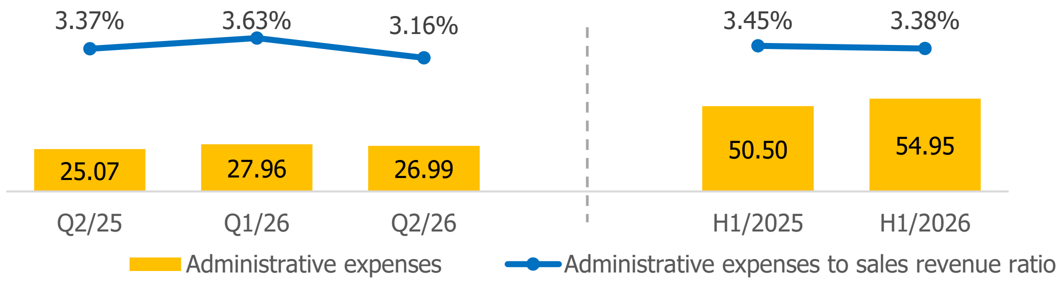
Distribution costs



Distribution costs for Q2 2026 Amounted to 61.09 million Baht, an increase of 8.75 million Baht or 16.73 % from the same period last year and an increase of 6.04 million Baht, or 10.96%, compared to the first quarter of 2026. This increase in expenses was primarily due to higher salaries for branch employees and depreciation, as the company continuously opened new branches. The selling and distribution cost to sales revenue ratio was 7.16 %.

Distribution costs for the first six months period of 2026 amounted to 116.15 million Baht, an increase of 14.61 million Baht, or 14.39%, from the previous year. The distribution cost-to-sales revenue ratio was 7.15%, an increase of 0.22% from the previous year. This increase in expenses was primarily due to higher salaries for branch employees and depreciation, resulting from the company's continuous branch opening.

Administrative expenses



Administrative expenses for Q2 2026 amounted to 26.99 million Baht, an increase of 1.93 million Baht, or 7.68 %, compared to the same period of the previous year, and a decrease of 0.97 million Baht, or 3.48 %, compared to the first quarter of 2026. The ratio of administrative expenses to sales revenue was 3.16 %, a decrease of 0.21 % from the same period of the previous year and a decrease of 0.47 % compared to the first quarter of 2026. This decrease is attributed to the 14.90% increase in sales revenue in the second quarter of 2026, resulting in a decrease in the ratio of administrative expenses to sales revenue.

Administrative expenses for the first six-month period of 2026 amounted to 54.95 million Baht, an increase of 4.45 million Baht or 8.81 % from the previous year. The ratio of administrative expenses to sales revenue was 3.38 %, a decrease of 0.07 % from the previous year, due to a 10.82 % increase in sales revenue during the six-month period of 2026, resulting in a decrease in the ratio of administrative expenses to sales revenue.

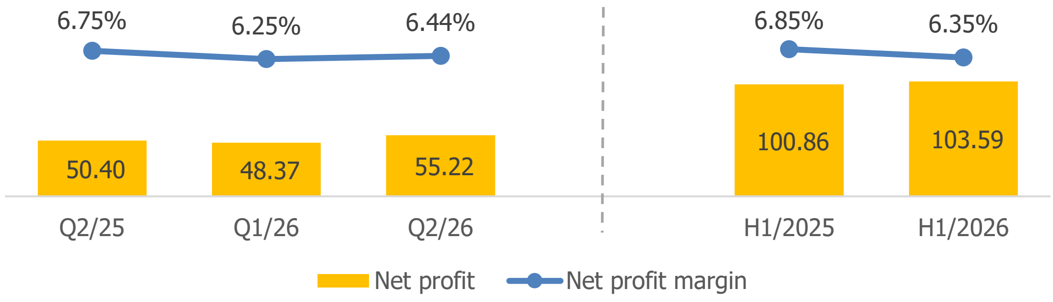
Financial costs

Financial costs for Q2 2026 were 0.95 million Baht, an increase of 0.21 million Baht or 28.22 % compared to the same period of the previous year. Financial costs for the first six months of 2026 were 1.88 million Baht, an increase of 0.37 million Baht or 24.41 % compared to the previous year. The increase in financial costs was primarily due to interest on land and building lease agreements entered into for branch expansion.

Income tax expenses

Income tax expenses for Q2 2026 amounted to 13.48 million Baht, an increase of 1.21 million Baht, or 9.84%, compared to the same period of the previous year. Income tax expenses for the first six months of 2026 amounted to 25.10 million Baht, an increase of 0.69 million Baht, or 2.82%, compared to the previous year. The increase in income tax expenses is due to the company's increased profitability.

Net profit



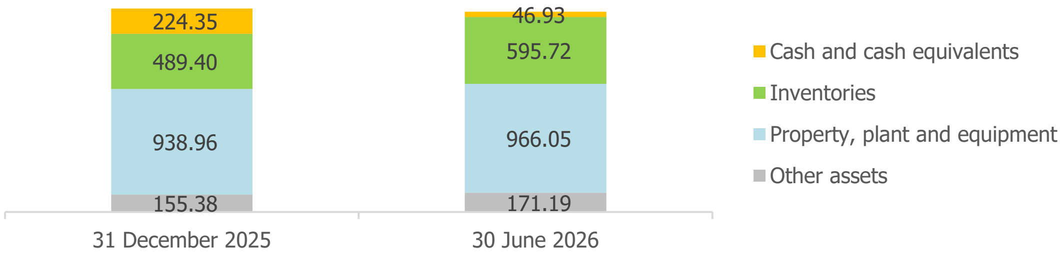
Net profit for Q2 2026 amounted to 55.22 million Baht, an increase of 4.82 million Baht, or 9.57%, compared to the same period of the previous year, and an increase of 6.85 million Baht, or 14.15%, compared to the first quarter of 2026. The net profit margin was 6.44%, a decrease of 0.31% compared to the same period of the previous year, an increase of 0.19% compared to the first quarter of 2026. The increase in the company's net profit is due to a 14.90% increase in sales compared to the same period of the previous year and a 10.80% increase compared to the first quarter of 2026. Although the gross profit margin decreased, the company's overall profit increased. In addition, the increase in distribution costs is mainly due to expenses related to branch expansion, which boosted sales, while administrative expenses remained similar to the previous year.

Net profit for the first six-month period of 2026 amounted to 103.59 million Baht, an increase of 2.73 million Baht, or 2.70%, compared to the same period of the previous year. The net profit margin was 6.35%, a decrease of 0.50% compared to the same period of the previous year. The increase in the company's net profit was due to a 10.82% increase in sales compared to the same period of the previous year.

Financial position

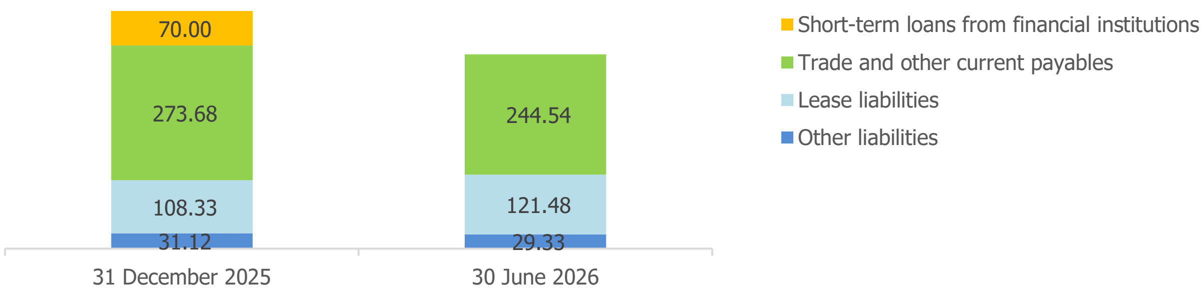
Unit: Million Baht	As at 31 December 2025	As at 30 June 2026	Change	
			Amount	%
Total assets	1,808.08	1,779.90	- 28.18	- 1.56
Total liabilities	483.13	395.35	- 87.77	- 18.17
Total shareholders' equity	1,324.95	1,384.54	59.59	4.50

Assets



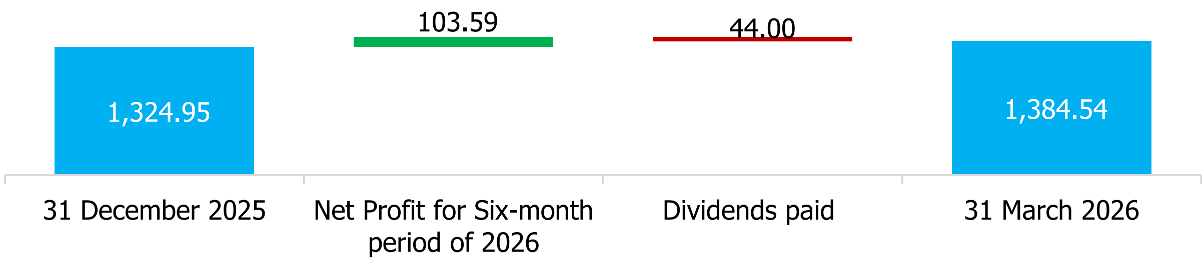
As of June 30, 2026, the company had total assets of 1,779.90 million Baht, a decrease of 28.18 million Baht or 1.56% from the previous year. Significant changes in assets include a decrease of 177.42 million Baht in cash and cash equivalents due to the repayment of short-term loans and promissory notes totaling 70 million Baht, and an increase in inventory of 106.33 million Baht resulting from increased stocking due to branch expansion and increased product offerings for sale during government consumer stimulus measures. Land, buildings, and equipment increased by 27.10 million Baht from investment in new branches, and right-of-use assets increased by 12.36 million Baht due to additional land lease agreements for new branches.

Liabilities



As of June 30, 2026, the company had total liabilities of 395.35 million Baht, a decrease of 87.77 million Baht or 18.17% from the previous year. The significant changes in liabilities include a decrease of 70.00 million Baht in short-term loans from financial institutions, primarily due to repayments of promissory notes from banks. Trade payables and other payables decreased by 29.14 million Baht due to increased payments to trade payables.

Shareholders' equity



As of June 30, 2026, the company's total shareholders' equity amounted to 1,384.54 million Baht, an increase of 59.59 million Baht or 4.50% from the previous year. This change is due to an increase in total comprehensive income for the first six months of 2026 of 103.59 million Baht and a decrease in dividend payments of 44.00 million Baht.

Liquidity

As of June 30, 2026, the company had cash and cash equivalents of 46.93 million Baht, a net decrease of 177.42 million Baht from the previous year. A summary of cash flow changes by activity is as follows:

Net cash received from operating activities for 6 months period of 2026 amounted to 5.52 million Baht. The majority of this cash flow originated from cash received from operating profit totaling 166.86 million Baht, cash paid for increased inventory stock of 108.65 million Baht, cash paid to suppliers of Baht 23.17 million, and cash was paid for income tax in the amount of 28.01 million Baht.

Net cash used in investing activities for 6 months period of 2026 amounted to 65.88 million Baht, primarily utilized for investments in expanding the company's branches.

Net cash used in financing activities for 6 months period of 2026 amounted to 117.06 million Baht, consisting of cash repayments of 70.00 million Baht to short-term loans from financial institutions, cash dividend payment of 44.00 million Baht, cash used for lease liability payments of 3.06 million Baht.

Short-term credit lines as of June 30, 2026, the company has unutilized short-term credit lines from financial institutions totaling 450 million Baht. These lines can enhance the company's liquidity in case of short-term working capital requirements.

Factors that may affect future operations or growth

Competitive landscape in the retail business The expansion of the retail business, encompassing both modern trade stores and local shops, has led to intense competition, which may impact the company's future sales. Employing marketing strategies is crucial for addressing severe competitive conditions. The company must continuously analyze data and present various strategies to customers to meet their needs.

Government economic stimulus policies Implementation of various measures to stimulate domestic consumer purchases such as the State Welfare Card project and the Half-Half co-payment scheme. etc. will primarily impact consumer purchasing power, especially for household consumer goods. In the future, if economic stimulus measures are implemented to boost consumer purchasing power, it will positively affect the company's overall revenue.

Consumer purchasing power This is a factor affecting the company's overall revenue, particularly same-store sales. However, most of the company's products are essential daily consumer goods, and the company employs marketing promotion strategies suitable for various situations to stimulate consumer purchases. The trend of improving economic conditions, along with an increase in tourist numbers, will positively impact the overall economy and increase of domestic consumer purchasing power.

Submitted for your acknowledgement.

Best Regards,

(Mrs.Amorn Phuttipiriya)
Managing Director