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10 August 2026

Subject Management Discussion and Analysis for Q2/2026 ended 30 June 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 30 June 2026, which has been audited by certified public accountant as follows:

1. Business Overview of Q2/2026

In the second quarter of 2026, Thailand's economy came under pressure at the beginning of the quarter due to the conflict in the Middle East, which led to higher energy prices and weighed on consumers' purchasing power. Although the situation gradually eased, uncertainty remained. Meanwhile, the Thai economy continued to be supported by exports, private investment, and the recovery of the tourism sector. The government's economic stimulus measures, including the Thai Chuay Thai Plus program launched in June 2026, also helped improve consumer spending sentiment, although overall purchasing power continued to recover gradually.[(1)]

However, the Company's revenue from sales increased by 3.5% compared to the previous quarter, supported by growth in both domestic and overseas markets. Domestic sales increased by 2.2%, driven by the seasonal recovery in beverage sales during the summer, together with marketing activities, new product launches, and expanded distribution channels. Overseas sales increased by 8.8%, mainly driven by Vietnam, the Company's largest overseas market, where the continued economic recovery, together with operational improvements and enhanced management efficiency, contributed to more stable business operations and continued sales growth.

Although the Company began to recognize the impact of higher packaging costs following the increase in plastic prices in the second quarter of 2026, the Company effectively managed costs through higher production utilization, efficient raw material cost management, improved production efficiency, and an optimized promotional spending structure. As a result, the gross profit margin improved from 26.2% in the first quarter to 26.8% in the second quarter. In addition, the Company managed its selling and administrative expenses more efficiently compared to the previous quarter, resulting in net profit attributable to owners of the parent of THB 71.7 million, an increase of 18.8% compared to the previous quarter.

2. Important Events in Q2/2026

1. The Company paid a dividend to shareholders whose names appeared in the Company's share register as of 6 May 2026, totaling 900,005,100 shares, at the rate of THB 0.345 per share, representing a total dividend payment of THB 311 million. The dividend was paid on 21 May 2026.

2. The Company expanded its "Jele Jelly Soda" product line with two new flavors, which are available exclusively at 7-Eleven stores

- Fruity Green
- Strawberry Amadai

3. Operating Results of Q2/2026

Statement of Income (Unit: Million Baht)	Three-month period ended 30 June					Six-month period ended 30 June		
	Q2/25	Q1/26	Q2/26	Increased (Decreased)		6M/25	6M/26	Increased (Decreased)
				QoQ (%)	YoY (%)			YoY (%)
Revenue from sales	1,388.0	1,271.7	1,316.5	3.5%	-5.2%	2,873.5	2,588.2	-9.9%
Other income	12.5	14.0	15.5	10.7%	24.2%	23.3	29.5	26.6%
Total revenues	**1,400.5**	**1,285.7**	**1,332.0**	**3.6%**	**-4.9%**	**2,896.8**	**2,617.7**	**-9.6%**
Cost of sales	(982.1)	(938.8)	(964.1)	2.7%	-1.8%	(2,015.6)	(1,902.9)	-5.6%
Gross profit	**405.9**	**332.9**	**352.4**	**5.9%**	**-13.2%**	**857.9**	**685.3**	**-20.1%**
Selling expenses	(185.0)	(195.8)	(200.7)	2.5%	8.5%	(363.6)	(396.5)	9.1%
Administrative expenses	(65.5)	(62.6)	(57.6)	-8.1%	-12.1%	(131.8)	(120.2)	-8.9%
Profit before finance costs and income taxes	**167.9**	**88.5**	**109.6**	**23.9%**	**-34.7%**	**385.8**	**198.1**	**-48.7%**
Finance costs	(10.0)	(11.9)	(11.6)	-2.1%	16.2%	(16.7)	(23.5)	40.7%
Share of loss of investment in a joint venture	(4.7)	(3.8)	(6.2)	64.0%	30.5%	(10.0)	(10.0)	0.0%
Profit before income taxes	**153.2**	**72.8**	**91.8**	**26.1%**	**-40.1%**	**359.1**	**164.6**	**-54.2%**
Income taxes	(27.0)	(16.2)	(23.1)	42.7%	-14.6%	(61.3)	(39.2)	-36.1%
Profit (loss) attributable to:								
- Owners of the parent	**129.8**	**60.3**	**69.8**	**15.8%**	**-46.2%**	**300.2**	**130.2**	**-56.6%**
- Non-controlling interests	(3.6)	(3.7)	(1.1)	-69.5%	-69.2%	(2.4)	(4.8)	99.5%
Net profit	**126.2**	**56.6**	**68.7**	**21.3%**	**-45.5%**	**297.8**	**125.4**	**-57.9%**
Earnings per share	0.14	0.07	0.08			0.33	0.14	
Gross profit Margin	29.2%	26.2%	26.8%	0.6%	-2.4%	29.9%	26.5%	-3.4%
%Selling expenses to sales	13.3%	15.4%	15.2%	-0.2%	1.9%	12.7%	15.3%	2.6%
%Administrative expenses to sales	4.7%	4.9%	4.4%	-0.5%	-0.3%	4.6%	4.6%	0.0%
Net Profit Margin	9.1%	4.5%	5.2%	0.7%	-3.9%	10.4%	4.8%	-5.6%

Revenue

Revenue from sales (Unit: Million Baht)	Three-month period ended 30 June					Six-month period ended 30 June		
	Q2/25	Q1/26	Q2/26	Increased (Decreased)		6M/25	6M/26	Increased (Decreased)
				QoQ (%)	YoY (%)			YoY (%)
Revenue from domestic sales	1,124.3	1,015.8	1,038.2	2.2%	-7.7%	2,323.5	2,054.0	-11.6%
Revenue from overseas sales	263.7	255.9	278.3	8.8%	5.5%	550.0	534.2	-2.9%
Total revenue from sales	**1,388.0**	**1,271.7**	**1,316.5**	**3.5%**	**-5.2%**	**2,873.5**	**2,588.2**	**-9.9%**

Revenue from sales in Q2/2026 was THB 1,316.5 million, an increase of THB 44.8 million or 3.5% compared to the previous quarter, driven by growth in both domestic and overseas markets. The increase reflected the recovery in domestic demand, together with continued growth in overseas markets, particularly Vietnam, which remained the Company's largest overseas market.

Domestic sales were THB 1,038.2 million, an increase of THB 22.4 million or 2.2% compared to the previous quarter, driven by the seasonal recovery in beverage sales during the summer. The increase was further supported by marketing activities, expanded product displays, and promotional campaigns in modern trade channels following the easing of uncertainties surrounding the Middle East conflict. In addition, the Company benefited from the government's economic stimulus measures, which supported domestic consumption toward the end of the quarter.

Overseas sales were THB 278.3 million, an increase of THB 22.4 million or 8.8% compared to the previous quarter, mainly driven by Vietnam. The continued economic recovery, together with stable business operations, expanded distribution coverage, and a broader product portfolio across both traditional trade and modern trade channels, resulted in more consistent customer orders and supported revenue growth compared to the previous quarter.

However, compared to the same period last year, revenue from sales decreased by THB 71.5 million or 5.2%, mainly due to weaker domestic consumption amid the gradual recovery in purchasing power and continued economic uncertainty, resulting in lower domestic sales compared to the same period last year.

For the first six months of 2026, revenue from sales was THB 2,588.2 million, a decrease of THB 285.3 million or 9.9% compared to the same period last year, mainly due to lower sales in both domestic and overseas markets.

Cost of Sales

Cost of sales in Q2/2026 was THB 964.1 million, an increase of THB 25.3 million or 2.7% compared to the previous quarter, in line with higher sales revenue and increased production volume. The increase also reflected the impact of higher packaging costs following the rise in plastic prices, which was affected by the conflict in the Middle East. However, compared to the same period last year, cost of sales decreased by THB 18.0 million or 1.8%, in line with the decline in sales revenue.

For the first six months of 2026, cost of sales was THB 1,902.9 million, a decrease of THB 112.7 million or 5.6% compared to the same period last year, in line with the decline in sales revenue.

Gross Profit

Gross profit in Q2/2026 was THB 352.4 million, an increase of THB 19.5 million or 5.9% compared to the previous quarter, driven by higher sales revenue. However, compared to the same period last year, gross profit decreased by THB 53.5 million or 13.2%, in line with the decline in sales revenue.

Gross profit margin was 26.8%, an increase of 0.6% compared to the previous quarter. Although the Company began to recognize the impact of higher packaging costs, higher sales and production volume led to improved production utilization, resulting in lower fixed costs per unit. In addition, efficient raw material cost management through supplier diversification, improved production efficiency, higher production yield, reduced production waste, and a more optimized promotional spending structure helped offset the increase in packaging costs. However, compared to the same period last year, the gross profit margin decreased by 2.4% due to lower production volume, which resulted in higher fixed costs per unit, although the Company continued to maintain fixed costs at a normal level.

For the first six months of 2026, gross profit was THB 685.3 million, a decrease of THB 172.6 million or 20.1% compared to the same period last year. Gross profit margin was 26.5%, a decrease of 3.4% compared to the same period last year.

Selling and Administrative Expenses

Selling expenses in Q2/2026 were THB 200.7 million, an increase of THB 4.9 million or 2.5% compared to the previous quarter, and an increase of THB 15.7 million or 8.5% compared to the same period last year, mainly due to marketing and promotional activities carried out in line with the Company's business plan, while fixed expenses remained at a normal level. The Company continued to manage expenses efficiently, resulting in a selling expense-to-sales ratio of 15.2%, a decrease of 0.2% compared to the previous quarter.

For the first six months of 2026, selling expenses were THB 396.5 million, an increase of THB 32.9 million or 9.1% compared to the same period last year.

Administrative expenses in Q2/2026 were THB 57.6 million, a decrease of THB 5.0 million or 8.1% compared to the previous quarter, and a decrease of THB 7.9 million or 12.1% compared to the same period last year, mainly due to organizational restructuring and more efficient workforce management. As a result, the administrative expense-to-sales ratio was 4.4%, a decrease of 0.5% compared to the previous quarter and 0.3% compared to the same period last year.

For the first six months of 2026, administrative expenses were THB 120.2 million, a decrease of THB 11.6 million or 8.9% compared to the same period last year.

Net Profit attributable to owners of the parent

Description (Unit: Million Baht)	Three-month period ended 30 June					Six-month period ended 30 June		
	Q2/25	Q1/26	Q2/26	Increased (Decreased)		6M/25	6M/26	Increased (Decreased)
				QoQ (%)	YoY (%)			YoY (%)
Net profit attribute to owners of the parent	**129.8**	**60.3**	**69.8**	**15.8%**	**-46.2%**	**300.2**	**130.2**	**-56.6%**
Adjust Share of loss of investment in a Joint venture	4.7	3.8	6.2	64.0%	30.5%	10.0	10.0	0.0%
Net profit attribute to owners of the parent from core business operating results	**134.5**	**64.1**	**76.0**	**18.7%**	**-43.5%**	**310.2**	**140.2**	**-54.8%**
Net profit attribute to owners of the parent from core business margin	9.7%	5.0%	5.8%			10.8%	5.4%	

Net profit attributable to owners of the parent in Q2/2026 was THB 69.8 million, an increase of THB 9.5 million or 15.8% compared to the previous quarter, driven by higher sales revenue, an improved gross profit margin, and more efficient expense management. However, compared to the same period last year, net profit attributable to owners of the parent decreased by THB 60.0 million or 46.2%, in line with the decline in sales revenue.

For the first six months of 2026, net profit attributable to owners of the parent was THB 130.2 million, a decrease of THB 170.0 million or 56.6% compared to the same period last year.

4. Financial Position

- Total assets as of 30 June 2026 were THB 5,891.0 million, an increase of THB 44.7 million or 0.8% compared to 31 December 2025.
- Total liabilities as of 30 June 2026 were THB 3,388.2 million, an increase of THB 181.4 million or 5.7% compared to 31 December 2025, mainly due to an increase in borrowings from financial institutions.
- Total equity as of 30 June 2026 was THB 2,502.8 million, a decrease of THB 136.7 million or 5.2% compared to 31 December 2025.
- Cash and cash equivalents as of 30 June 2026 totaled THB 124.1 million.

5. Sustainable Development

In the second quarter of 2026, the Company continued to advance its sustainability agenda by strengthening its management practices in occupational health and safety, climate change, and cybersecurity. These initiatives are intended to enhance business resilience, mitigate potential risks, and safeguard the interests of stakeholders over the long term.

Key Sustainability Updates

Sustainability Topic	Progress in Q2/2026	Key Outcome / Significance
Occupational Health & Safety	Developed an Occupational Health and Safety Management System in accordance with ISO 45001, including target setting for workplace safety and employee capability development.	Supports the enhancement of occupational health and safety standards and prepares the Company for ISO 45001 certification across all operating sites by 2029.
Climate Change	Achieved Carbon Footprint for Organization (CFO) certification for the fifth consecutive year. Scope 1 and Scope 2 greenhouse gas emissions totaled 31,719 tCO_2e, below the absolute target of 32,068 tCO_2e.	Reflects effective greenhouse gas management and continued progress toward the Company's target of reducing Scope 1 and Scope 2 emissions by 20% from the 2022 baseline by 2030.
Cybersecurity	Enhanced the cybersecurity management system by deploying Endpoint Protection and integrating it with the Security Operation Center (SOC) for 24/7 threat monitoring and incident response.	Strengthens information security, data protection, and business continuity readiness.

Please be informed accordingly,

Sincerely Yours,

-Signed-

(Mr. Supachoke Bumrungpun)

Chief Financial Officer

Source [1] Bank of Thailand. (2026). Monetary Policy Report: Q2 2026.