



Management Discuss and Analysis For the second quarter ended June 30 , 2026

Executive summary

Sahathai Printing and Packaging Public Company Limited operates in the manufacturing of paper packaging and all type of printed materials, providing services ranging from packaging design and development, high-quality plate-making, offset printing and various post-printing services such as UV coating, gold foil stamping, silver foil stamping, die-cutting, and embossing, among others, with paper provided by the company or paper that customers provide themselves. The main customer group of the company at present is the pet food manufacturing group, accounting for 85% of revenue.

The company's revenue from sales and services in this quarter is 224.8 million Baht, representing a growth rate of 7.6% compared to the Q1/2026.

Performance Analysis

Operating results of the financial statement for 3 months ended June 30, 2026

Income Statement	Q2/2026		Q1/2026	Q2/2025	QoQ		YoY	
	M.Baht	%	M.Baht	M.Baht	M.Baht	%	M.Baht	%
Revenue From sales and services	224.8	100%	208.9	203.8	15.9	7.6	21.0	10.3
Gross Profit	71.3	32%	73.3	74.6	(2.0)	(2.7)	(3.3)	(4.4)
Other income	12.2	5%	6.8	8.7	5.4	79.4	3.5	40.2
Distribution costs	6.5	3%	5.8	5.6	0.7	12.1	0.9	16.1
Administrative expenses	18.8	8%	15.9	15.8	2.9	18.2	3.0	19.0
Finance costs	0.9	0%	0.9	0.9	0.0	0.0	0.0	0.0
Profit before income tax	57.2	25%	57.4	61.0	(0.2)	(0.3)	(3.8)	(6.2)
Income tax expense	8.9	4%	7.1	11.9	1.8	25.4	(3.0)	(25.2)
Net.Profit	48.2	21%	50.3	49.1	(2.1)	(4.2)	(0.9)	(1.8)



The operating results for Q2/2026 compared with Q1/2026 showed an decrease in net profit of Baht 2.1 million, or 4.2%, primarily due to the following factors:

- Revenue from sales and services increased by Baht 15.9 million, or 7.6%, primarily due to higher delivery volumes of goods and services to customers.
- Gross profit decreased by Baht 2.0 million, or 2.7%. The decrease was mainly attributable to a 3.4% increase in the ratio of cost of sales and services to revenue from sales and services, driven primarily by higher raw material costs. The increase in selling prices was insufficient to fully offset the impact of higher raw material costs.
- Other income increased by Baht 5.4 million, or 79.4%. The increase was mainly attributable to Baht 4.6 million in tax benefits from the BOI-promoted project for improving production efficiency through the use of renewable energy, together with a Baht 1.2 million increase in income from the sale of production scrap, mainly due to higher sales volumes of scrap materials.
- Administrative expenses increased by Baht 2.9 million, or 18.2%. The increase was mainly attributable to the recognition of an impairment allowance of Baht 1.5 million for vehicles and an increase of Baht 0.8 million in employee-related expenses.
- Income tax expense increased by Baht 1.8 million, or 25.4%. The increase was mainly attributable to tax effects of Baht 0.74 million arising from profits generated by the BOI-promoted project, together with tax effects of Baht 0.8 million related to tax-deductible expenses arising from retirement benefit payments and the impairment allowance for vehicles.

The operating results for Q2/2026 compared with Q2/2025 showed an decrease in net profit of Baht 0.9 million, or 1.8%, primarily due to the following factors:

- Revenue from sales and services increased by Baht 21.0 million, or 10.3%, primarily due to higher delivery volumes of goods and services to customers, supported by increased production capacity following the installation of new machinery.
- Gross profit decreased by Baht 3.3 million, or 4.4%. The decrease was mainly attributable to a 4.9% increase in the ratio of cost of sales and services to revenue from sales and services, primarily due to higher raw material costs. The increase in selling prices was insufficient to fully offset the impact of higher raw material costs.



- Other income increased by Baht 3.5 million, or 40.2%. The increase was mainly attributable to Baht 4.6 million in tax benefits from the BOI-promoted project for improving production efficiency through the use of renewable energy, partially offset by a Baht 1.6 million decrease in foreign exchange gains.
- Income tax expense decreased by Baht 3.0 million, or 25.2%. The decrease was mainly attributable to the recognition of Baht 4.6 million in tax benefits from the BOI-promoted project for improving production efficiency through the use of renewable energy in Q2/2026. Such benefits are non-taxable, together with the tax benefits arising from income generated from the BOI-promoted project.

Operating results of the financial statement for 6 months period ended June 30, 2026

Statement of comprehensive income	6M/2026		6M/2025	Change (YoY)	
	M.Baht	%		M.Baht	%
Revenue from sales and services	433.7	100%	399.0	34.7	8.7
Gross Profit	144.5	33%	144.2	0.3	0.2
Other income	18.9	4%	14.9	4.0	26.8
Distribution costs	12.3	3%	11.1	1.2	10.8
Administrative expenses	34.7	8%	31.0	3.7	11.9
Finance costs	1.8	0%	1.8	0.0	0.0
Profit before income tax	114.6	26%	115.2	(0.6)	(0.5)
Tax expense	16.1	4%	22.4	(6.3)	(28.1)
Profit for the year	98.5	23%	92.8	5.7	6.1

Operating results of the financial statements for 6M/2026 ending June 30, 2026 compared to the same period of the previous year showed an increase in profit of 5.7 million Baht or increased by 6.1%, mainly due to the following reasons.-

- Revenue from sales and services increased by Baht 34.7 million, or 8.7%, primarily due to higher delivery volumes of goods and services to customers, supported by increased production capacity following the installation of new machinery.
- Other income increased by Baht 4.0 million, or 26.8%. The increase was mainly attributable to Baht 4.6 million in tax benefits from the BOI-promoted project for improving production efficiency through the use of renewable energy, together with a Baht 1.5 million increase in income from the sale of production scrap, these increases were partially offset by a Baht 1.6 million decrease in foreign exchange gains.



- Administrative expenses increased by Baht 3.7 million, or 11.9%. The increase was mainly attributable to the recognition of an impairment allowance of Baht 1.5 million for vehicles and a Baht 1.7 million increase in employee-related expenses.
- Income tax expense decreased by Baht 6.3 million, or 28.1%. The decrease was mainly attributable to the recognition of Baht 4.6 million in tax benefits from the BOI-promoted project for improving production efficiency through the use of renewable energy during the first six months of 2026. Such benefits are non-taxable, together with the tax benefits arising from income generated from the BOI-promoted project.

Financial position

Total Financial Position	30 June 2026		31 December 2025		Change	
	M.Baht	%	M.Baht	%	M.Baht	%
Current assets	610.7	53%	509.4	48%	101.3	19.9
Non-current assets	544.8	47%	559.5	52%	(14.7)	(2.6)
Total assets	1,155.5	100%	1,068.9	100%	86.6	8.1
Current liabilities	84.6	7%	50.0	5%	34.6	69.2
Non-current liabilities	123.0	11%	127.5	12%	(4.5)	(3.5)
Total Liabilities	207.6	18%	177.5	17%	30.1	17.0
Share capital	100.0	9%	100.0	9%	0.0	0.0
Premium on share capital	417.7	36%	417.7	39%	0.0	0.0
Retained earnings	430.2	37%	373.6	35%	56.6	15.1
Total shareholders' equity	947.9	82%	891.3	83%	56.6	6.4

Asset

As of June 30, 2026, the Company's total assets increased by Baht 86.6 million, or 8.1%, from the end of 2025. The increase was mainly attributable to an increase in current assets of Baht 101.3 million, or 19.9%, partially offset by a decrease in non-current assets of Baht 14.7 million, or 2.6%. The key changes were as follows:

- Current assets increased by Baht 101.3 million, mainly due to increases in trade and other current receivables of Baht 37.4 million, inventories of Baht 28.0 million, cash and cash equivalents of Baht 17.8 million, and short-term investments of Baht 15.8 million.
- Non-current assets decreased by Baht 14.7 million, mainly due to a net decrease in property, plant and equipment of Baht 12.9 million and a decrease in right-of-use assets of Baht 1.9 million.



Liabilities

As of June 30, 2026, the Company's total liabilities increased by Baht 30.1 million, or 17.0%, from the end of 2025. The increase was mainly due to higher trade and other current payables of Baht 29.5 million, as well as increases in corporate income tax payable and deferred tax liabilities totaling Baht 5.0 million. These increases were partially offset by repayments of lease liabilities amounting to Baht 2.5 million.

Shareholders' Equity

As of June 30, 2026, the Company's total shareholders' equity increased by Baht 56.6 million, or 6.4%, from the end of 2025. The increase was mainly attributable to net profit of Baht 98.5 million generated during the first six months of 2026, partially offset by a dividend payment of Baht 42.0 million from the 2025 net profit, which was paid in May 2026.

Significant financial ratios

Financial Ratios	30 June	
	2026	2025
Gross Profit Margin (%) *	32.8	35.9
Net Profit Margin (%) *	20.2	22.1
Return on Assets (%) **	15.0	16.9
Return on Equity (%) ***	18.4	21.0
Current ratio (Times)	7.2	6.6
Debt to Equity ratio (Times)	0.22	0.23
Book value per share (THB)	9.5	8.5

* Calculated using data from the 4 quarters period backward.

** Calculated by divide 4 quarters period backward net profit by average total asset.

*** Calculated by divide 4 quarters period backward net profit by average shareholders' equity.



Liquidity and Capital Resources

Statement of Cash Flows (Million Baht)	30 June		Change	
	2026	2025	M.Baht	%
Cash flows from Operating Activities				
Net cash provided by operating activities	96.3	101.4	(5.1)	(5.0)
Cash flows from Investing Activities				
Net cash provided by (used in) investing activities	(31.8)	(45.1)	13.3	(29.5)
Cash flows from Financing Activities				
Net cash used in financing activities	(46.7)	(42.6)	(4.1)	9.6
Net increase (decrease) in cash and cash equivalents	17.8	13.8	4.0	29.0
Cash and cash equivalents at beginning of the period	26.6	30.4	(3.8)	(12.5)
Cash and cash equivalents at end of the period	44.4	44.2	0.2	0.5

As of June 30, 2026, the Company had net cash and cash equivalents of Baht 44.4 million. Net cash generated from operating activities amounted to Baht 96.3 million. Net cash used in investing activities amounted to Baht 31.8 million, mainly attributable to purchases of machinery and equipment totaling Baht 18.3 million, investments in debt securities of Baht 14.2 million and net cash used in financing activities amounted to Baht 46.7 million, primarily due to dividends payment of Baht 42.0 million, and repayments of lease liabilities related to right-of-use assets in accordance with scheduled payment terms, amounting to Baht 2.9 million.