Thai Parcels Public Company Limited บริษัท ไทยพาร์เซิล จำกัด (มหาชน)
สำนักงานใหญ่ 1018 ถนนหลวงแพ่ง แขวงทับยาว เขตลาดกระบัง กรุงเทพมหานคร 10520 เลขประจำตัวผู้เสียภาษี 0107564000260
โทร. 02-360-7788 แฟกซ์ 02-360-7525 www.Thaiparcels.com Email: Contactus@thaiparcels.com

Management Discussion and Analysis

For the three-month and six-month periods ended June 30, 2026

No. TPL-017/2026

August 13, 2026

Subject: Management Discussion and Analysis of Financial Performance for the three-month and six-month periods ended June 30, 2026

To: The Board of Directors and Manager, The Stock Exchange of Thailand

Thai Parcels Public Company Limited (the "Company") would like to provide an explanation regarding the Company's operating results for the three-month and six-month periods ended June 30, 2026, which were approved by the Board of Directors on August 13, 2026. The details are as follows:

1. Business Overview

The second quarter of 2026 is the second quarter in which the management is able to assess the direction of the new business structure based on a full six months of data. For the six-month period of 2026, the Group reported a net loss according to the consolidated financial statements of 38.6 million Baht, which arose from two different factors. On one hand, the logistics segment, which is the Group's original core business, recorded improved operating performance compared with the same period of the previous year, following the customer base restructuring that has been carried out continuously since 2025. On the other hand, the newly consolidated passenger transport business groups remain in the early stage of integration into the Group, operating under a slowdown in the tourism industry combined with a fixed cost structure of the vehicle fleet that is not yet aligned with current work volumes.

In this regard, during the period, the Group completed the fair value measurement of the identifiable assets acquired and liabilities assumed as at the acquisition dates of First Transport Co., Ltd. and its subsidiaries (the "FT Group") and Chalermpat Corporation Co., Ltd. and its subsidiaries (the "CPC Group"), within the Measurement Period under Thai Financial Reporting Standard No. 3, Business Combinations, with reference to the valuation report of the independent appraiser. As a result, the Group retrospectively restated the consolidated statement of financial position as at December 31, 2025 presented as comparative information, by reclassifying the entire unallocated purchase consideration of 1,133.5 million Baht and recognizing an increase in property, plant and equipment of 154.9 million Baht, an increase in intangible assets of 46.4 million Baht, goodwill of 990.1 million Baht, and an increase in deferred tax liabilities of 33.0 million Baht, resulting in a net increase in shareholders' equity as at January 1, 2026 of 25.0 million Baht (an increase in retained earnings of 25.7 million Baht and a decrease in non-controlling interests of 0.7 million Baht).

As the aforementioned fair value adjustments affect the depreciation and amortization base of the Group from the acquisition dates, the six-month cumulative results presented in this discussion have been calculated on the restated basis and will therefore not equal the sum of the previously published first quarter 2026 results and the second quarter 2026 results. On the restated basis, the net loss according to the consolidated financial statements for the first quarter of 2026 amounted to 17.0 million Baht, compared with 34.2 million Baht as previously reported. The reduction in the loss was primarily attributable to the fact that the majority of the purchase consideration was classified as goodwill of 990.1 million Baht, which is not amortized but is subject to impairment testing, resulting in depreciation and amortization on the restated basis being lower than previously recorded. In this regard, such items constitute adjustments within the Measurement Period under Thai Financial Reporting Standard No. 3 and are not corrections of errors under Thai Accounting Standard No. 8.

The operating performance for this period continued to be affected by the fixed cost structure of the business groups that were consolidated. The consolidated financial statements reported a net loss arising from depreciation and amortization for the six-month period totaling 111.4 million Baht, which represents fixed costs originating from the vehicle fleet invested in the past, together with fleet utilization that remains in the volume-building phase, and was principally affected by the level of diesel prices which remained high and was reflected in the Group's costs for a full quarter for the first time. Nevertheless, when considered through the cash flow dimension, the Group recorded EBITDA for the six-month period of 97.6 million Baht and positive cash flow from operating activities of 63.5 million Baht, reflecting that the assets retain the potential to generate cash flow and are in the early stage of integration into the Group following the business combination.

The operational direction for the next phase is built upon a strategic framework, with three key milestones established to drive value in the medium to long term. Firstly, elevating the profitability of both passenger transport business groups, with a focus on increasing the asset Utilization Rate, which is the primary variable in supporting the fixed cost structure, coupled with reviewing the pricing structure for service contract customers to align with current costs in order to preserve revenue quality in the long term. Secondly, creating Group Synergy in order to elevate the efficiency of resource utilization across the Group and to reduce unit costs through Economies of Scale. Thirdly, diversifying the revenue base into a broader range of industries in order to reduce volatility arising from dependence on any single customer group, while strengthening the long-term revenue structure. Such plans serve as critical mechanisms in elevating the Group's profitability.

2. Performance Results

Statement of Comprehensive Income – Consolidated Financial Statements

For the three-month and six-month periods ended June 30, 2026 and 2025

Item	Consolidated		Investment using Equity Method		Consolidated		Consolidated		Investment using Equity Method		Consolidated	
	Q2'2026 (3-Month)		Q2'2025 (3-Month)		Increase / (Decrease)		Q2'2026 (6-Month)		Q2'2025 (6-Month)		Increase / (Decrease)	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Income from rendering of services	352,543	99.6%	120,334	100.0%	232,209	193.0%	696,200	99.4%	241,320	100.0%	454,879	188.5%
Revenue from TPL Group	*142,606*	*40.3%*	*120,334*	*100.0%*	*22,272*	*18.5%*	*258,236*	*36.9%*	*241,320*	*100.0%*	*16,916*	*7.0%*
Revenue from FT Group	*71,415*	*20.2%*	-	-	71,415	*100.0%*	177,470	25.3%	-	-	177,470	-
Revenue from CPC Group	*138,522*	*39.1%*	-	-	138,522	*100.0%*	260,494	37.2%	-	-	260,494	-
Revenue from sales	1,518	0.4%	-	-	1,518	*100.0%*	3,903	0.6%	-	-	3,903	-
Total revenue from sales and services	354,061	100.0%	120,334	100.0%	233,727	194.2%	700,103	100.0%	241,320	100.0%	458,783	190.1%
Cost of services rendered	(320,698)	-90.6%	(100,108)	-83.2%	(220,590)	220.4%	(626,748)	-89.5%	(200,843)	-83.2%	(425,905)	212.1%
Cost of sales	(1,091)	-0.3%	-	-	(1,091)	100.0%	(1,499)	-0.2%	-	-	(1,499)	100.0%
Total cost from sales and services	(321,790)	-90.9%	(100,108)	-83.2%	(221,682)	221.4%	(628,247)	-89.7%	(200,843)	-83.2%	(427,404)	212.8%
Gross profit	**32,271**	**9.1%**	**20,226**	**16.8%**	**12,045**	**59.6%**	**71,856**	**10.3%**	**40,477**	**16.8%**	**31,379**	**77.5%**
Other income	7,630	2.2%	529	0.4%	7,101	1343.0%	17,143	2.4%	1,192	0.5%	15,951	1338.2%
Selling expenses	(1,885)	-0.5%	(1,135)	-0.9%	(750)	66.1%	(4,771)	-0.7%	(1,963)	-0.8%	(2,808)	143.0%
Administrative expenses	(46,608)	-13.2%	(16,002)	-13.3%	(30,607)	191.3%	(94,681)	-13.5%	(34,821)	-14.4%	(59,860)	171.9%
Profit (loss) from operating activities	**(8,593)**	**-2.4%**	**3,618**	**3.0%**	**(12,211)**	-337.5%	**(10,453)**	**-1.5%**	**4,885**	**2.0%**	**(15,338)**	-314.0%
Finance costs	(10,159)	-2.9%	(1,333)	-1.1%	(8,826)	661.9%	(26,308)	-3.8%	(2,407)	-1.0%	(23,901)	993.1%
Share of loss from associates using equity method	-	-	(1,612)	-1.3%	1,612	-100.0%	-	-	(3,441)	-1.4%	3,441	-100.0%
Loss before income tax	**(18,752)**	**-5.3%**	**673**	**0.6%**	**(19,425)**	-2886.4%	**(36,761)**	**-5.3%**	**(962)**	**-0.4%**	**(35,798)**	3719.5%
Income tax income/(expenses)	(2,818)	-0.8%	(810)	-0.7%	(2,008)	247.9%	(1,835)	-0.3%	(1,484)	-0.6%	(351)	23.7%
Net loss for the period	**(21,570)**	**-6.1%**	**(137)**	**-0.1%**	**(21,433)**	15623.1%	**(38,596)**	**-5.5%**	**(2,447)**	**-1.0%**	**(36,149)**	1477.5%

Summary of the Group's Overall Performance

Revenue from Rendering of Services

In the second quarter of 2026, the Group recorded revenue from rendering of services according to the consolidated financial statements of 352.5 million Baht, and 696.2 million Baht for the six-month period. Including revenue from sales, total revenue amounted to 354.1 million Baht in this quarter and 700.1 million Baht for the six-month period. The total revenue structure for the six-month period, as presented in the table above, comprised the logistics segment of 258.2 million Baht (36.9 percent), the CPC Group of 260.5 million Baht (37.2 percent), the FT Group of 177.5 million Baht (25.3 percent), and revenue from sales of 3.9 million Baht (0.6 percent), reflecting the diversification of the revenue base as established by the Group in its business restructuring plan. In this regard, as the Group obtained control over the FT Group and the CPC Group on August 31, 2025 and December 2, 2025, respectively, the comparative information for the same period of 2025 does not yet include the operating results of both groups. Changes in the figures in the consolidated financial statements compared with the same period of the previous year therefore principally reflect the change in the Group's structure rather than changes in operating performance. Accordingly, the management analyzes the trends of the FT Group and the CPC Group primarily by comparison with the preceding quarter within 2026.

For the logistics segment of the Group, revenue from rendering of services in the second quarter amounted to 142.6 million Baht, an increase from 120.3 million Baht in the same period of the previous year, or 18.5 percent, and 258.2 million Baht for the six-month period, an increase from 241.3 million Baht, or 7.0 percent, which is a comparison on the same business basis. Such a return to growth is a direct result of the customer base restructuring strategy that has been implemented on a continuous basis. Revenue from the B2C customer group, which is a strategic target group, grew by 31.2 percent in this quarter (from 61.7 million Baht to 81.0 million Baht) and by 18.7 percent for the six-month period, resulting in the B2C revenue proportion increasing to 56.8 percent of the logistics segment revenue in this quarter, compared with 51.3 percent in the same period of the previous year. Meanwhile, revenue from the C2C customer group grew by 15.7 percent and the SME customer group grew by 40.9 percent. Revenue from the B2B customer group in this quarter remained stable at 27.2 million Baht, a decrease of only 1.4 percent (for the six-month period it stood at 45.3 million Baht, a decrease of 15.3 percent resulting from the customer base selection), which reflects that the customer base restructuring has passed the adjustment phase.

The FT Group recorded revenue from rendering of services in the second quarter of 71.4 million Baht and 177.5 million Baht for the six-month period. Revenue in the second quarter declined from 106.1 million Baht in the first quarter of 2026 in line with the seasonal nature of the tourism industry, as the first quarter is the main tourism season, together with external factors affecting the number of tourists travelling into Thailand, particularly the Inbound Asia market which was affected by news relating to tourist safety, as well as the energy price situation and tensions in the Middle East region which affected both the Asian and European markets, while the Domestic market remained stable. Nevertheless, the management observed increasingly clear positive signals during April to June from the return to growth of the Inbound market in certain countries, the entry of new customer groups, and the expansion of the Worldwide Outbound market, which is the direction the Group will use as a base for expanding revenue in the second half of the year.

For the CPC Group, revenue in the second quarter amounted to 138.5 million Baht, an increase from 122.0 million Baht in the preceding quarter, or 13.6 percent, with revenue continuing to be recognized primarily from long-term service contract customers, particularly the Electronics customer group which has a long-standing business relationship. As for the other subsidiaries within the FT Group, which operate vehicle support and tour businesses, they remain in the customer base building phase and their revenue proportion is not significant to the consolidated financial statements. In this regard, the Group places importance on increasing the revenue of the FT Group and is continuously implementing measures to accelerate revenue generation and elevate Utilization, alongside reviewing the pricing structure and selecting new high-potential customer groups, in order that the asset base of the new business groups can generate returns at their full potential in the second half of the year.

Cost of Services Rendered

In the second quarter of 2026, the Group recorded cost of sales and services according to the consolidated financial statements of 321.8 million Baht, and 628.2 million Baht for the six-month period. The primary factor in the cost structure of the consolidated financial statements is the fixed cost of the FT Group, particularly vehicle depreciation from past investments, which is a cost that cannot be reduced in proportion to revenue during the tourism off-season. In this regard, the asset Utilization Rate of the vehicle fleet still has considerable room for improvement, which is regarded as the most significant variable in turning around the profit structure of this business group, and the management has established it as a top priority agenda for operations in the second half of the year. As for the cost of the logistics segment, it stood at 106.5 million Baht in the second quarter, an increase from 100.1 million Baht in the same period of the previous year, or 6.4 percent, and stood at 196.9 million Baht for the six-month period, close to the level of the same period of the previous year, in line with the management of expenses to correspond with work volume.

With respect to other expenses, the trend remained close to previous levels and there were no significant special items during the six-month period. The consolidated financial statements recorded a net reversal of expected credit losses of 3.3 million Baht in accordance with the quarterly assessment of receivable quality. In this regard, the pricing of certain long-term service contracts was determined before fuel and labor costs increased; the management is therefore in the process of managing the cost and pricing structure to align with current conditions.

Gross Profit and Gross Profit Margin

In the second quarter of 2026, the Group recorded gross profit according to the consolidated financial statements of 32.3 million Baht, representing a gross profit margin of 9.1 percent, and 71.9 million Baht for the six-month period, representing 10.3 percent. The gross profit margin in the consolidated financial statements reflects the recognition of the gross loss of the FT Group, which has a high proportion of depreciation to revenue during the period in which work volume remains in the base-building phase. Meanwhile, the logistics segment recorded gross profit in the second quarter of 36.1 million Baht, an increase from 20.2 million Baht in the same period of the previous year, representing an increase of 15.9 million Baht, with the Gross Profit Margin improving from 16.8 percent to 25.3 percent, and for the six-month period recorded gross profit of 61.3 million Baht, representing a gross profit margin of 23.7 percent compared with 16.8 percent in the same period of the previous year, which resulted from the change in the customer base structure coupled with cost control. Such margin may fluctuate in accordance with the proportion of customer groups and the level of competition in each period. In this regard, the management expects that once revenue can be expanded and the Utilization of the FT Group and the CPC Group elevated according to plan, the Group's gross profit margin in the consolidated financial statements is likely to improve in the next period.

Other Income

In the consolidated financial statements, the Group recorded other income in the second quarter of 7.6 million Baht and 17.1 million Baht for the six-month period, compared with 1.2 million Baht in the same period of the previous year. The primary factor came from the recognition of gains on disposal of vehicles under the fleet management plan totaling 6.1 million Baht for the six-month period, most of which arose from the FT Group as part of the plan to right-size the vehicle fleet to match work volume (Fleet Right-sizing), together with an increase in other service income in line with the size of the business group following the business combination.

Selling Expenses

In the consolidated financial statements, the Group recorded selling expenses in the second quarter of 1.9 million Baht and 4.8 million Baht for the six-month period, compared with 2.0 million Baht in the same period of the previous year, in accordance with the larger business size resulting from the first-time full-period recognition of the selling expenses of the FT Group and the CPC Group. Meanwhile, the selling expenses of the logistics segment stood at 1.5 million Baht for the six-month period, a decrease of 22.2 percent from the same period of the previous year, in line with the management of the sales expense structure to be flexible and to correspond with sales performance in each period.

Administrative Expenses

In the consolidated financial statements, the Group recorded administrative expenses in the second quarter of 46.6 million Baht and 94.7 million Baht for the six-month period, compared with 34.8 million Baht in the same period of the previous year, as a result of consolidating the administrative expenses of both the FT Group and the CPC Group for the full period. The majority of the expenses of the subsidiaries within the FT Group comprise employee salaries and office rental expenses. Meanwhile, the administrative expenses of the logistics segment stood at 31.1 million Baht for the six-month period, a decrease of 10.6 percent from the same period of the previous year, which primarily resulted from the comparative base of the previous year in which one-off expenses relating to the acquisition of the FT Group and the CPC Group were recorded. In this regard, the Group continues to move forward with its plan to enhance the efficiency of administrative expenses within the Group in the next phase.

Finance Costs

In the consolidated financial statements, the Group recorded finance costs in the second quarter of 10.2 million Baht and 26.3 million Baht for the six-month period, compared with 2.4 million Baht in the same period of the previous year, as a direct result of consolidating the financial institution loans of the FT Group used for business operations in the past, as well as finance costs from lease liabilities of the vehicle fleets of both business groups. In this regard, the Group continues to prioritize managing the financial structure and interest costs at appropriate levels in order to maintain the balance between business expansion and the Group’s long-term financial liquidity.

Income Tax Expenses

For the six-month period of 2026, the Group recorded income tax expenses according to the consolidated financial statements of 1.8 million Baht (for the second quarter alone, 2.8 million Baht). The six-month cumulative amount is lower than the amount for the second quarter as the Group recorded deferred income tax income in the first quarter. In the current period, the Group still possesses tax benefits from tax loss carryforwards not exceeding 5 years, resulting in no significant current income tax liability to be paid. The income tax expenses shown in the financial statements are primarily deferred income tax expense items, which arise from changes in temporary differences between the carrying amounts and the tax bases of assets and liabilities.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

EBITDA	Consolidated	Investment using Equity Method	Consolidated	
	Q2'2026 (6-Month)	Q2'2025 (6-Month)	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Information from Cash Flow Statement				
Depreciation – property, plant and equipment	49,028	12,499	36,528	292.2%
Depreciation – right-of-use assets	59,042	8,409	50,632	602.1%
Amortisation – intangible assets	3,283	185	3,098	1671.4%
(Reversal) Expected credit loss	(3,306)	1,295	(4,601)	-355.3%
Profit (loss) from operating activities	(10,453)	4,885	(15,338)	-314.0%
EBITDA	**97,594**	**27,274**	**70,320**	**257.8%**

For the six-month period of 2026, the Group recorded EBITDA according to the consolidated financial statements of 97.6 million Baht, compared with 27.3 million Baht in the same period of the previous year. The increase in EBITDA therefore arises from the first-time full-period recognition of the operating results of the FT Group and the CPC Group, which represents a change in the Group’s structure rather than growth of the existing business base.

However, the overall consolidated financial statements continue to reflect a high level of depreciation. For the six-month period, depreciation of buildings and equipment amounted to 49.0 million Baht, depreciation of right-of-use assets amounted to 59.0 million Baht, and amortization of intangible assets amounted to 3.3 million Baht, totaling 111.4 million Baht, which is calculated on the basis of the fair values and remaining useful lives reassessed as at the acquisition dates. The majority represents fixed costs of the FT Group arising from the vehicle fleet invested in the past, resulting in the consolidated financial statements reporting a loss from operating activities of 10.5 million Baht.

Even though the overall Group performance in this period shows a net accounting loss, when considering the cash flow dimension it is found that the Group still possesses the ability to generate operating cash flow at a positive level and improving from the same period of the previous year, as shown in the following summary table:

Financial information for the six-month period ended June 30, 2026	Amount (Million Baht)	Category
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	97.6	Cash (Cash Flow Item)
Depreciation & Amortization	(111.4)	Accounting (Non-cash Item)
Reversal of Expected Credit Loss (ECL)	3.3	Accounting (Non-cash Item)
Finance Cost	(26.3)	Cash/Accounting
Income Tax Expense	(1.8)	Accounting
Net Loss	(38.6)	
Operating Cash Flow	+63.5	Actual Net Cash Received

In this regard, such a high level of depreciation is an accounting factor that does not affect cash flow and that will gradually decrease in accordance with the remaining useful lives of the assets reassessed under the independent appraiser’s report, which will be a supporting factor for the Group’s profitability and cash flow in the next phase, alongside the shared use of central resources within the Group.

Net Profit (Loss) for the Period

In the consolidated financial statements, the Group reported a net loss for the second quarter of 21.6 million Baht and a net loss for the six-month period of 38.6 million Baht, compared with a net loss of 2.4 million Baht in the same period of the previous year, which did not yet include the operating results of the FT Group and the CPC Group. The primary cause of the loss in this period arises from the full-period recognition of the operating results of both groups, which remain in the early stage of integration into the Group following the acquisition, particularly the FT Group which has been affected by the slowdown in the tourism industry together with a high level of fixed costs. In this regard, the logistics segment recorded a net profit for the six-month period of 28.8 million Baht (17.7 million Baht for the second quarter), which partially mitigated the impact of the loss at the consolidated financial statement level. The management has established proactive measures to elevate the performance of the FT Group and the CPC Group, covering the increase of Utilization, the review of the pricing structure and existing customer contracts, and the expansion of the new customer base in high-margin target groups. The management will monitor and report the progress of such measures on a quarterly basis. In this regard, the actual level of results achieved will depend principally on the recovery of the tourism industry and energy price levels.

3. Statement of Financial Position

3.1 Assets

Assets	Consolidated	Consolidated (Restated)	Consolidated	
	June 30, 2026	Dec 31, 2025	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Current assets				
Cash and cash equivalents	120,453	102,791	17,662	17.2%
Trade and other current receivables	213,817	200,107	13,710	6.9%
Current contract assets	60,747	46,941	13,805	29.4%
Short-term loans to related parties	-	2,550	(2,550)	-100.0%
Inventories	20,756	20,829	(74)	-0.4%
Other current assets	738	1,737	(1,000)	-57.5%
Total current assets	**416,511**	**374,956**	**41,555**	**11.1%**
Non-current assets				
Bank deposits – pledged as collateral	5,261	5,242	19	0.4%
Property, plant and equipment	1,204,609	1,239,520	(34,911)	-2.8%
Right-of-use assets	176,851	157,073	19,778	12.6%
Intangible assets	48,428	51,712	(3,283)	-6.3%
Goodwill	990,127	990,127	(0)	0.0%
Deferred tax assets	1,496	2,894	(1,397)	-48.3%
Deposits and guarantees	11,874	24,498	(12,624)	-51.5%
Other non-current receivables	26,266	25,203	1,063	4.2%
Total non-current assets	**2,464,914**	**2,496,270**	**(31,356)**	**-1.3%**
Total assets	**2,881,424**	**2,871,226**	**10,199**	**0.4%**

As of June 30, 2026, the Group had total assets amounting to 2,881.4 million Baht, an increase from the end of 2025 (restated) which stood at 2,871.2 million Baht, representing an increase of 10.2 million Baht or 0.4 percent. The significant changes comprised an increase in cash and cash equivalents of 17.7 million Baht, an increase in trade and other current receivables of 13.7 million Baht, and an increase in contract assets of 13.8 million Baht in line with increased work volume, while property, plant and equipment decreased by 34.9 million Baht from depreciation charges and the disposal of vehicles under the fleet management plan, and deposits and guarantees decreased by 12.6 million Baht.

3.2 Liabilities

Liabilities	Consolidated	Consolidated (Restated)	Consolidated	
	June 30, 2026	Dec 31, 2025	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	69,810	51,797	18,013	34.8%
Trade and other payables	186,494	181,420	5,074	2.8%
Contract liabilities	9,630	9,056	574	6.3%
Short-term loans from related persons/parties	53,160	53,160	-	0.0%
Long-term loans from financial institutions				
– current portion	148,709	158,055	(9,346)	-5.9%
Long-term lease liabilities				
– current portion	94,311	107,118	(12,807)	-12.0%
Income tax payable	1,166	482	685	142.1%
Provisions	143	1,643	(1,500)	-91.3%
Total current liabilities	**563,423**	**562,730**	**693**	**0.1%**
Other non-current liabilities				
Long-term loans from financial institutions	430,873	425,168	5,705	1.3%
Long-term lease liabilities	104,505	63,492	41,012	64.6%
Employee benefit obligations	35,376	32,376	2,999	9.3%
Deferred tax liabilities	49,127	52,154	(3,027)	-5.8%
Other non-current liabilities	11,633	11,721	(89)	-0.8%
Total non-current liabilities	**631,514**	**584,912**	**46,602**	**8.0%**
Total liabilities	**1,194,937**	**1,147,643**	**47,294**	**4.1%**

As of June 30, 2026, the Group had total liabilities amounting to 1,194.9 million Baht, an increase from the end of 2025 (restated) which stood at 1,147.6 million Baht, representing an increase of 47.3 million Baht or 4.1 percent. The primary reason was an increase in long-term lease liabilities of 41.0 million Baht arising from the acquisition of right-of-use assets under leases during the period amounting to 85.6 million Baht, and an increase in bank overdrafts and short-term loans from financial institutions of 18.0 million Baht, while the current portion of long-term liabilities from financial institutions decreased by 9.3 million Baht and the current portion of lease liabilities decreased by 12.8 million Baht in accordance with normal repayment schedules.

3.3 Shareholders' Equity

Shareholders' equity	Consolidated	Consolidated (Restated)	Consolidated	
	June 30, 2026	Dec 31, 2025	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Issued and paid-up share capital	985,302	984,230	1,072	0.1%
Warrants	124,400	125,211	(812)	-0.6%
Premium on share capital	602,558	601,318	1,240	0.2%
Legal reserve	15,750	15,750	-	0.0%
Retained earnings	(43,443)	(5,067)	(38,376)	-757.4%
Equity attributable to owners of the parent	**1,684,566**	**1,721,442**	**(36,876)**	**-2.1%**
Non-controlling interests	1,921	2,141	(220)	-10.3%
Total shareholders' equity	**1,686,487**	**1,723,583**	**(37,096)**	**-2.2%**

As of June 30, 2026, the Group had total shareholders' equity amounting to 1,686.5 million Baht, a decrease from the end of 2025 (restated) which stood at 1,723.6 million Baht, representing a decrease of 37.1 million Baht or 2.2 percent. Such decrease was primarily caused by the net loss in the consolidated financial statements for the six-month period of 38.6 million Baht, partially offset by the capital increase from the exercise of warrants to purchase ordinary shares of 1.5 million Baht, resulting in the issued and paid-up share capital increasing to 985.3 million Baht.

4. Cash Flow Statement

Cash Flow Statement	Consolidated	Investment using Equity Method	Consolidated	
	Q2'2026 (6-Month)	Q2'2025 (6-Month)	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Cash flows from operating activities	63,545	17,356	46,189	266.1%
Cash flows from investing activities	2,946	536	2,410	449.9%
Cash flows from financing activities	(48,829)	(18,766)	(30,063)	160.2%
Total net cash flow	**17,662**	**(874)**	**18,537**	**-2120.3%**

For the six-month period of 2026, the Group had a net increase in cash and cash equivalents of 17.7 million Baht in the consolidated financial statements, compared with a decrease of 0.9 million Baht in the same period of the previous year. The overview of this period reflects cash flow management in 3 main areas: (1) the generation of positive cash flow from operating activities of 63.5 million Baht, compared with 17.4 million Baht in the same period of the previous year which did not yet include the FT Group and the CPC Group; (2) positive cash flow from investing activities of 2.9 million Baht, from the deferral of cash investments in order to enhance the efficiency of existing assets, together with the disposal of assets under the fleet management plan. In this regard, during the period the Group acquired right-of-use assets under leases amounting to 85.6 million Baht from the renewal and modification of vehicle lease agreements, which are non-cash transactions under Thai Financial Reporting Standard No. 16 and therefore do not appear in investing activities; and (3) net cash used in financing activities of 48.8 million Baht from the repayment of lease liabilities and long-term borrowings in accordance with repayment schedules, net of an increase in short-term borrowings drawn for working capital of 18.0 million Baht.

From the above information, it can be seen that although the Group reported an accounting loss of 38.6 million Baht for the six-month period of 2026, the ability to generate Operating Cash Flow remained positive at 63.5 million Baht. This reflects that the majority of the losses are accounting items that do not affect cash flow, particularly depreciation and amortization from the expansion of the vehicle fleet.

5. Working Capital

Working capital	Consolidated	Consolidated (Restated)	Consolidated	
	June 30, 2026	Dec 31, 2025	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Current assets	416,511	374,956	41,555	11.1%
Current liabilities	563,423	562,730	693	0.1%
Working capital	**(146,913)**	**(187,775)**	**40,862**	**21.8%**

As of June 30, 2026, the Group had total current assets of 416.5 million Baht and total current liabilities of 563.4 million Baht, resulting in negative working capital of 146.9 million Baht, an improvement from negative 187.8 million Baht at the end of 2025, or an improvement of 40.9 million Baht, representing 21.8 percent, which arose in part from the ability of the logistics segment to generate operating cash flow during the period. In this regard, said negative working capital is structural in nature, arising from the consolidation of current liabilities of the FT Group and the CPC Group, particularly the classification of the current portion of long-term loans from financial institutions due within one year amounting to 148.7 million Baht and the current portion of lease liabilities due within one year amounting to 94.3 million Baht. The Group has continuous plans to secure working capital sources and refinancing in order to maintain business liquidity according to plan.

In this regard, the management expects that once the elevation of the performance of the FT Group and the CPC Group proceeds according to plan, coupled with the increase in vehicle fleet Utilization and the review of the pricing structure to align with costs, the Group’s ability to generate operating cash flow is likely to increase, which will help the Group’s working capital to improve in the next period. This will, however, depend principally on the recovery of the tourism industry and energy price levels.

6. Debt-to-Equity Ratio

Debt-to-Equity Ratio	Consolidated	Consolidated (Restated)	Consolidated	
	June 30, 2026	Dec 31, 2025	Increase / (Decrease)	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Total liabilities	1,194,937	1,147,643	47,294	4.1%
Shareholders' equity	1,686,487	1,723,583	(37,096)	-2.2%
Debt-to-Equity Ratio (times)	**0.71**	**0.67**	**0.04**	**6.4%**

As of June 30, 2026, the Group's Debt-to-Equity ratio according to the consolidated financial statements stood at 0.71 times, an increase from 0.67 times at the end of 2025 (restated), as total shareholders' equity decreased by 37.1 million Baht in line with the net loss in this period, while total liabilities increased by 47.3 million Baht, the majority of which comprised lease liabilities arising from the renewal and modification of vehicle lease agreements. Said ratio remains at a low level. Nevertheless, the management places importance on managing liquidity and the maturity profile of debt alongside the debt-to-equity ratio, as described under the Working Capital section. In this regard, the management expects that once the performance of the FT Group and the CPC Group improves in accordance with the established plans, this ratio will continue to improve.

7. Business Risks

The Group and the Company face several risks that may impact business operations and financial performance. The primary risks include:

7.1 Risk from Competition

In the first six months of 2026, the domestic economic conditions continued to slow down, coupled with the market expansion of foreign logistics capital groups, resulting in high price competition among large-scale customer segments. The Company therefore focused on a customer base restructuring strategy by placing importance on revenue quality rather than volume, the effects of which on revenue quality began to be seen in the second quarter of 2026 as described under the Gross Profit and Gross Profit Margin section, alongside highlighting strengths in delivery quality and precision in order to create satisfaction for end customers and to reduce reliance on price competition alone.

7.2 Risk of Over-Reliance on Major Customers

The Company operates its transport service business with a small number of major customers contributing a significant proportion of its revenue. The Group recognizes this risk and has established a systematic management approach in order that the Company maintains its target gross profit margin while remaining competitive in the market. In the first six months of 2026, the Group recognized the results of its business expansion through the combination of the FT Group and the CPC Group for a full period for the first time, which has helped diversify the risk of the revenue structure into a wider variety of industries. In this regard, the CPC Group has a customer base primarily under long-term service contracts, while the FT Group helps increase the revenue base from the tourism and passenger transport sectors. The management continues to enhance service value on an ongoing basis, which not only helps mitigate the risk of relying on a small number of major customers but also helps strengthen the Group's revenue base.

7.3 Risk from Fuel/Energy Costs

Diesel fuel costs are considered a significant variable with a substantial impact on the Group's gross profit. Domestic energy prices, which rose significantly during the late first quarter of 2026 due to geopolitical pressures and tensions in the Middle East, remained at a high level continuously throughout the second quarter of 2026. Coupled with the liquidity of the Oil Fuel Fund, which has had to bear a high compensation burden, uncertainty remains regarding the direction of domestic retail diesel prices in the second half of the year.

The impact of said fuel price levels began to be reflected in the Group's costs for a full quarter for the first time in the second quarter of 2026, particularly in respect of the FT Group, which uses diesel as a primary cost for passenger transport services, and the CPC Group, which operates a large fleet of transport vehicles. This was one of the factors resulting in the gross profit margin in the consolidated financial statements standing at 9.1 percent in this quarter, while the logistics segment was able to partially mitigate such impact through the service price adjustment mechanism based on fuel costs. Nevertheless, the effectiveness of such mechanism depends on the contractual terms and the cost pass-through period of each customer group.

The Company has managed such risks through key measures, namely the transport service price adjustment mechanism based on fuel costs (Fuel Surcharge) in order to preserve profitability, alongside managing fuel consumption efficiency and elevating the vehicle utilization rate of the FT Group and the CPC Group in order to average out fixed costs and distribute the fuel cost burden per service cycle. These are crucial factors in maintaining the Group's liquidity and financial stability amidst energy price volatility.

7.4 Risk from Government's Minimum Wage Increase

The minimum wage increase policy directly impacts labor costs in the transport segment. The Company therefore manages this by planning its workforce to be flexible and aligned with work volumes that fluctuate by season and festival periods, alongside developing personnel skills in order to increase operational efficiency and reduce product damage rates, which helps create personnel stability and prepares for expanding the customer base into groups requiring high service standards. In this regard, in the first six months of 2026, the Group extended such personnel management approaches to the drivers of the FT Group and the CPC Group in order to support the increase in vehicle utilization in the second half of the year.

7.5 Risk of Goodwill Impairment

As of June 30, 2026, the Group had goodwill recognized from business combinations amounting to 990.1 million Baht, representing 34.4 percent of total assets and 58.7 percent of total shareholders' equity, which arose from the allocation of the purchase consideration of the FT Group and the CPC Group as described under the Business Overview section, and which has been allocated to the Cash Generating Units of the FT Group and the CPC Group, consistent with the level at which the management monitors performance internally.

Under Thai Accounting Standard No. 36, Impairment of Assets, the Group is required to test goodwill for impairment annually and to assess impairment at every reporting date. In this regard, the management has assessed the impairment of goodwill as of June 30, 2026, taking into consideration the relevant internal and external factors together with the operating plans of the passenger transport business groups, and has determined that there is no basis requiring the recognition of an impairment loss on goodwill in this period.

The Group will perform its annual impairment test at the end of the reporting period for 2026, alongside measures to elevate the vehicle utilization rate and the review of the pricing structure. In this regard, should the performance of the said business groups not recover according to plan, this may result in the Group being required to recognize an impairment loss on goodwill, which is an item that does not affect cash flow from operating activities but will affect performance, shareholders' equity, and the debt-to-equity ratio in the consolidated financial statements.

8. Business Direction and Outlook for 2026

For the second half of 2026, the Group has operational plans to elevate performance toward quality growth by driving four areas in parallel, namely: (1) expanding the revenue base of the FT Group and the CPC Group through a review of the business plans to align with actual market conditions; (2) enhancing the Asset Utilization efficiency of the vehicle fleet through the expansion of the long-term service contract customer base; (3) sharing resources within the Group in order to enhance expense efficiency; and (4) managing energy price volatility through the Fuel Surcharge mechanism and the management of fuel consumption efficiency. In this regard, the management expects that the execution of such plans, together with the performance base of the original core business in the first half of the year, will be a supporting factor for the Group's operating performance to improve and to create added value for shareholders over the long term.

The Company respectfully submits this information for acknowledgement.

Sincerely,

Thai Parcels Public Company Limited

(Ms. Nawaporn Songsri)

Vice President of Accounting and Finance Department