Thai Coconut

Thai Coconut Public Company Limited

August 10, 2026

Subject: Management discussion and analysis for the performance for the three months and six months periods ended on June 30, 2026

To: Director and Manager

The Stock Exchange of Thailand

Thai Coconut Public Company Limited and its subsidiaries ("the Company") would like to clarify the operating results from the consolidated financial statements for the three months and six months periods ended on June 30, 2026, with details as follows:

Unit: Thousand baht

Profit & Loss Statement	2Q2026	%	1Q2026	%	2Q2025	%	Inc. (Dec.)		1H2026	%	1H2025	%	Inc. (Dec.)
							% YoY	% QoQ					% YoY
Total Revenue from sale of goods	**1,738,588**	**100.68**	**1,509,224**	**101.47**	**1,803,694**	**100.75**	**(3.61)**	**15.20**	**3,228,034**	**100.43**	**3,353,815**	**100.94**	**(3.75)**
Revenue from sale and services	1,726,927	100.00	1,487,403	100.00	1,790,218	100.00	(3.54)	16.10	3,214,330	100.00	3,322,544	100.00	(3.26)
Interest and Other income	5,725	0.33	5,123	0.34	7,547	0.42	(24.14)	11.75	10,848	0.34	13,756	0.41	(21.14)
Net gain on foreign exchange	-	-	16,698	1.12	-	-	N/A	(100.00)	2,856	0.09	2,645	0.08	7.98
Gain on derivatives fair value remeasurement	5,936	0.34	-	-	5,929	0.33	0.12	N/A	-	-	14,870	0.45	(100.00)
Costs of sale of goods and services	**1,310,067**	**75.86**	**1,151,906**	**77.44**	**1,484,135**	**82.90**	**(11.73)**	**13.73**	**2,461,973**	**76.59**	**2,740,795**	**82.49**	**(10.17)**
Gross profit	**416,860**	**24.14**	**335,497**	**22.56**	**306,083**	**17.10**	**36.19**	**24.25**	**738,028**	**22.96**	**568,170**	**17.10**	**29.90**
Selling and administrative expenses	**248,339**	**14.38**	**223,351**	**15.02**	**211,789**	**11.83**	**17.26**	**11.19**	**471,690**	**14.67**	**418,589**	**12.60**	**12.69**
Distribution costs	115,422	6.68	111,520	7.50	103,946	5.81	11.04	3.50	226,942	7.06	203,331	6.12	11.61
Administrative expenses	132,917	7.70	111,831	7.52	107,843	6.02	23.25	18.86	244,748	7.61	215,258	6.48	13.70
Other Expenses	**13,842**	**0.80**	**20,933**	**1.41**	**429**	**0.02**	**3,126.57**	**(33.87)**	**14,997**	**0.47**	**-**	**0.00**	**N/A**
Net loss on foreign exchange	13,842	0.80	-	-	429	0.02	3,126.57	N/A	-	-	-	-	N/A
Loss on derivatives fair value remeasurement	-	-	20,933	1.41	-	-	N/A	(100.00)	14,997	0.47	-	-	N/A
Profit from operating activities	**166,340**	**9.63**	**113,034**	**7.60**	**107,341**	**6.00**	**54.96**	**47.16**	**279,374**	**8.69**	**194,431**	**5.85**	**43.69**
Finance costs	(33,704)	(1.95)	(24,655)	(1.66)	(20,579)	(1.15)	63.78	36.70	(58,359)	(1.82)	(35,497)	(1.07)	64.41
Share of (Profit) loss of a joint venture accounted for using equity method	-	-	-	-	-	-	N/A	N/A	-	-	-	-	N/A
Profit before income tax expense	**132,636**	**7.68**	**88,379**	**5.94**	**86,762**	**4.85**	**52.87**	**50.08**	**221,015**	**6.88**	**158,934**	**4.78**	**39.06**
Tax expense	(10,002)	(0.58)	(5,858)	(0.39)	(9,395)	(0.52)	6.46	70.74	(15,860)	(0.49)	(16,705)	(0.50)	(5.06)
Profit for the period	**122,634**	**7.10**	**82,521**	**5.55**	**77,367**	**4.32**	**58.51**	**48.61**	**205,155**	**6.38**	**142,229**	**4.28**	**44.24**

Overview of Business Operations

According to the Company's consolidated financial statements for the second quarter of 2026, the Company recorded total revenue of 1,738.59 million baht, a decrease of 3.61% compared with the same quarter of the previous year. This was primarily due to a slowdown in revenue from coconut water products, reflecting lower orders in certain export markets, particularly China, in line with the overall trend of Thailand's coconut water exports. However, compared with the previous quarter, total revenue increased by 15.20%, driven by a recovery in sales of coconut water products, while other key product categories continued to show growth. The Company recorded gross profit of 416.86 million baht, increasing by 36.19% from the same quarter of the previous year and by 24.25% from the previous quarter. The improvement was supported by higher sales of coconut milk products in the Americas, pricing strategy adjustments, effective cost management, improved production efficiency, and lower coconut raw material costs. As a result, the

Head Office: 108/45 Soi Changwattana 20,Changwattana Rd., Pakkred Sub-District, Pakkred District, Nonthaburi Province 11120
Tel : +66 (0) 2584-1777 Fax : +66 (0) 2584-2074
www.thaicoconut.com

Factory : 67 Moo 1, Nongklangna Sub-District, Muang Ratchaburi District, Ratchaburi Province 70000
Tel : +66 (0) 3274-1799 Fax : +66 (0) 3274 -1782
www.thaicoconut.com

Company's profitability improved despite ongoing challenges from the global economic environment and competitive conditions. For the first six months of 2026, the Company recorded total revenue of 3,228.03 million baht, a decrease of 3.75% compared with the same period of the previous year, mainly due to a 25.64% decline in revenue from coconut water products. However, revenue from coconut milk products increased by 10.17%, while pet food products grew by 54.02%, with both product categories continuing to demonstrate growth trends. Revenue from other products also increased by 4.78%. Together with effective cost management and a shift in the sales mix toward higher-margin products, these factors contributed to an improvement in the Company's profitability compared with the same period of the previous year.

The Company continues to expand its presence in key markets, including the Americas, Europe, and Asia, while investing through its subsidiary in the Philippines, NOVOCOCONUT INC., to enhance production capacity and mitigate supply chain risks in support of long-term growth. The project is expected to commence operations within 2026.In addition, the Company remains focused on effective cost management and the diversification of its markets and customer base to maintain competitiveness and support sustainable growth.

Significant Events and Developments

On 30 April 2026, the Company issued and offered two tranches of registered, unsubordinated and unsecured bonds with a bondholders' representative, with the issuer having the right to redeem the bonds prior to maturity. The bonds were offered to institutional investors and/or high net worth investors, with a total offering value of 500 million baht. The bonds comprise 2 year and 3 year tranches, carrying fixed interest rates of 4.85% and 5.05% per annum, respectively. The proceeds are intended to be used for asset purchases, long term working capital, and expenditures related to the Company's existing operations, including the procurement of raw materials and inventories. The proceeds will also support business expansion in the production and distribution of coconut milk, coconut water, processed coconut products, pet food products, Thai fruit ice cream, and frozen Thai desserts, which are businesses operated by the Company and its group companies.

On 22 May 2026, the Company paid the annual dividend for 2025 in cash from retained earnings of the BOI promoted business as of 31 December 2025, at a rate of 0.12 baht per share, totaling 176.40 million baht.

Subsequently, on 30 July 2026, the Company completed the interest payment on both tranches of its bonds to bondholders in accordance with the payment schedule and the terms and conditions specified in the bondholders' rights.

Summary of Operating Performance

Revenue from Sales and Services

The Company recorded revenue from sales and services of 1,726.93 million baht for the second quarter of 2026, a decrease of 63.29 million baht, or 3.54%, compared with the same quarter of the previous

Head Office: 108/45 Soi Changwattana 20,Changwattana Rd.,
Pakkred Sub-District, Pakkred District, Nonthaburi Province 11120
Tel : +66 (0) 2584-1777 Fax : +66 (0) 2584-2074
www.thaicoconut.com
Factory : 67 Moo 1, Nongklangna Sub-District,
Muang Ratchaburi District, Ratchaburi Province 70000
Tel : +66 (0) 3274-1799 Fax : +66 (0) 3274 -1782
www.thaicoconut.com

year. The decline was mainly attributable to lower revenue from coconut water products, following reduced orders in certain export markets, particularly China, in line with the overall trend of Thailand's coconut water exports. However, revenue from coconut milk and pet food products increased, supported by higher orders from existing customers and the expansion of the customer base in overseas markets, which helped mitigate the impact of the decline in coconut water revenue. Compared with the previous quarter, revenue from sales and services increased by 239.52 million baht, or 16.10%, mainly driven by a recovery in export orders for coconut water products and deliveries in line with the planned schedule. Meanwhile, coconut milk and pet food products continued to grow, particularly from customers in the Americas and Europe. For the first six months of 2026, the Company recorded revenue from sales and services of 3,214.33 million baht, a decrease of 108.21 million baht, or 3.26%, compared with the same period of the previous year. The decrease was mainly due to a slowdown in revenue from coconut water products. However, revenue from coconut milk and pet food products continued to grow. Revenue from sales and services can be categorized by domestic and international markets as follows

International Sale and Services in the second quarter of 2026, the Company recorded revenue from international sales and services of 1,443.71 million baht, a decrease of 107.30 million baht, or 6.92%, compared with the same quarter of the previous year, but an increase of 214.37 million baht, or 17.44%, compared with the previous quarter. Export revenue accounted for 83.60% of total revenue from sales and services. Compared with the same quarter of the previous year, sales in the Americas increased by 50.95%, while sales in Europe increased by 8.19%, driven by the expansion of the customer base in new markets and higher orders from existing customers. Meanwhile, sales in other regions declined. Compared with the previous quarter, sales in the Americas, Asia, and Europe increased by 31.71%, 9.72%, and 7.80%, respectively, reflecting a recovery in orders from key export markets. For the first six months of 2026, the Company recorded revenue from international sales and services of 2,673.05 million baht, a decrease of 170.97 million baht, or 6.01%, compared with the same period of the previous year. Export revenue accounted for 83.16% of total revenue from sales and services. Sales in the Americas and Europe increased by 35.52% and 9.98%, respectively. Growth in coconut milk and pet food products partially offset the decline in revenue from coconut water products. In addition, the Company continues to expand its customer base in international markets while maintaining relationships with existing customers through marketing activities, participation in trade exhibitions, and expansion into new markets and customer segments to support potential order growth in the coming periods.

Domestic Sales and Services in the second quarter 2026, the Company recorded revenue from domestic sales and services of 283.21 million baht, an increase of 44.01 million baht, or 18.40%, compared with the same quarter of the previous year, and an increase of 25.15 million baht, or 9.75%, compared with the previous quarter. Domestic revenue accounted for 16.40% of total revenue from sales and services. For the first six months of 2026, the Company recorded revenue from domestic sales and services of 541.28 million baht, an increase of 62.76 million baht, or 13.12%, compared with the same period of the previous year. Domestic revenue accounted for 16.84% of total revenue from sales and services. The growth was supported by higher sales of coconut milk and pet food products, the expansion of the customer base and retail channels, as well as revenue from products sold through 7-Eleven convenience stores, which contributed to the overall growth in domestic sales and services revenue.

The Company recorded interest income and other income of 5.72 million baht for the second quarter of 2026, a decrease of 1.82 million baht, or 24.14%, compared with the same quarter of the previous year. However, compared with the previous quarter, interest income and other income increased by 0.60 million baht, or 11.75%. For the first six months of 2026, the Company recorded interest income and other income of 10.85 million baht, a decrease of 2.91 million baht, or 21.14%, compared with the same period of the previous year. The decrease was mainly attributable to lower export duty compensation income (Blue Corner).

Costs of Sale and Services

The Company recorded cost of sales and services of 1,310.07 million baht for the second quarter of 2026, a decrease of 174.07 million baht, or 11.73%, compared with the same quarter of the previous year. However, compared with the previous quarter, cost of sales and services increased by 158.16 million baht, or 13.73%, in line with the increase in revenue. Cost of sales and services as a percentage of revenue from sales and services was 75.86%, decreasing from 82.90%, or by 7.04 percentage points, compared with the same quarter of the previous year, and decreasing from 77.44%, or by 1.58 percentage points, compared with the previous quarter. For the first six months of 2026, the Company recorded cost of sales and services of 2,461.97 million baht, a decrease of 278.82 million baht, or 10.17%, compared with the same period of the previous year. Cost of sales and services as a percentage of revenue from sales and services was 76.59%, decreasing from 82.49%, or by 5.90 percentage points. The improvement was mainly attributable to lower coconut raw material costs, enhanced production efficiency in coconut milk products, and higher production volumes of pet food products, resulting in economies of scale and lower unit costs. The Company continues to implement cost risk management measures and invest in a new production facility in the Philippines to enhance the long-term stability of its raw material supply.

Gross Profit Margin

The Company's gross profit margin from sales and services for the second quarter of 2026 was 24.14%, increasing from 17.10% in the same quarter of the previous year and from 22.56% in the previous quarter. For the first six months of 2026, the Company's gross profit margin from sales and services was 23.41%, increasing from 17.51% in the same period of the previous year. The improvement was mainly supported by growth in sales of coconut milk and pet food products in the Americas and Europe, effective cost management, enhanced production efficiency, and lower coconut raw material costs. In addition, higher production volumes of pet food products contributed to greater economies of scale and improved operating efficiency, resulting in an overall improvement in the Company's gross profit margin.

Head Office: 108/45 Soi Changwattana 20,Changwattana Rd.,
Pakkred Sub-District, Pakkred District, Nonthaburi Province 11120
Tel : +66 (0) 2584-1777 Fax : +66 (0) 2584-2074
www.thaicoconut.com
Factory : 67 Moo 1, Nongklangna Sub-District,
Muang Ratchaburi District, Ratchaburi Province 70000
Tel : +66 (0) 3274-1799 Fax : +66 (0) 3274 -1782
www.thaicoconut.com

Distribution Costs

The Company recorded distribution costs of 115.42 million baht for the second quarter of 2026, an increase of 11.48 million baht, or 11.04%, compared with the same quarter of the previous year, and an increase of 3.90 million baht, or 3.50%, compared with the previous quarter. Distribution costs as a percentage of revenue from sales and services were 6.68%, increasing by 0.87 percentage points compared with the same quarter of the previous year, but decreasing by 0.82 percentage points compared with the previous quarter. For the first six months of 2026, the Company recorded distribution costs of 226.94 million baht, an increase of 23.61 million baht, or 11.61%, compared with the same period of the previous year. The increase was mainly attributable to higher transportation, marketing, and sales support expenses to support the expansion of the Company's markets and distribution channels.

Administrative Expenses

The Company recorded administrative expenses of 132.92 million baht for the second quarter of 2026, an increase of 25.07 million baht, or 23.25%, compared with the same quarter of the previous year, and an increase of 21.09 million baht, or 18.86%, compared with the previous quarter. Administrative expenses as a percentage of revenue from sales and services were 7.70%, increasing by 1.67 percentage points compared with the same quarter of the previous year, and increasing slightly compared with the previous quarter. For the first six months of 2026, the Company recorded administrative expenses of 244.75 million baht, an increase of 29.49 million baht, or 13.70%, compared with the same period of the previous year. Administrative expenses as a percentage of revenue from sales and services were 7.61%, increasing by 1.13 percentage points compared with the same period of the previous year. The increase was mainly attributable to expenses related to the expansion of coconut water production capacity and trial runs of new machinery prior to commercial production, operating and investment expenses of subsidiaries, as well as higher personnel expenses related to internal efficiency improvement projects to support the future growth of the Group.

Financial Costs

The Company recorded finance costs of 33.70 million baht for the second quarter of 2026, an increase of 13.12 million baht, or 63.78%, compared with the same quarter of the previous year, and an increase of 9.05 million baht, or 36.70%, compared with the previous quarter. Finance costs as a percentage of revenue from sales and services were 1.95%, increasing by 0.80 percentage points compared with the same quarter of the previous year, and increasing slightly compared with the previous quarter. For the first six months of 2026, the Company recorded finance costs of 58.36 million baht, an increase of 22.86 million baht, or 64.41%, compared with the same period of the previous year. Finance costs as a percentage of revenue from sales and services were 1.82%, increasing by 0.75 percentage points compared with the same period of the previous year. The increase was mainly attributable to higher borrowings to support working capital requirements, production capacity expansion, and the Company's investment projects.

Net Profit

The Company recorded net profit of 122.63 million baht for the second quarter of 2026, an increase of 45.27 million baht, or 58.51%, compared with the same quarter of the previous year, and an increase of 40.11 million baht, or 48.61%, compared with the previous quarter. For the first six months of 2026, the Company recorded net profit of 205.16 million baht, an increase of 62.93 million baht, or 44.24%, compared with the same period of the previous year. The growth in net profit was supported by improved gross profit, driven by higher sales of coconut milk and pet food products, particularly in the Americas and Europe, together with pricing strategy adjustments in line with market conditions, lower coconut raw material costs, and improved production efficiency. In addition, a shift in the sales mix toward higher-margin products also contributed to the improvement in overall margins. However, net profit was partially affected by an unrealized loss from the fair value adjustment of derivative contracts, reflecting fluctuations in foreign exchange rates at the end of the reporting period. Overall, the Company's profitability for the first six months of 2026 improved compared with the same period of the previous year.

Statement of the Company's Financial position

Unit: Thousand baht

Consolidated Statement Financial	June 30, 2026	December 31, 2025	Change (+/-)	% Inc. (Dec.)
Total Assets	9,141,222	7,869,532	1,271,690	16.16
Total Debts	5,643,247	4,399,856	1,243,391	28.26
Total Shareholders' Equity	3,497,975	3,469,676	28,299	0.82
Debt to Equity Ratio (D/E Ratio): times	1.61	1.27	0.35	27.22

Assets

As of 30 June 2026, the Company had total assets of 9,141.22 million baht, an increase of 1,271.69 million baht, or 16.16%, compared with 31 December 2025. The increase was mainly attributable to higher cash and cash equivalents from proceeds received from the issuance of bonds, as well as an increase in trade and other current receivables, which were subsequently collected after the end of the reporting period. Inventories also increased to support operations and sales in the following periods, particularly for pet food products. In addition, the Company increased its investments in land, buildings, machinery, construction in progress, and right-of-use assets to support production capacity expansion and enhance operational efficiency, including investments related to coconut water products and the development of a new production facility in the Philippines.

Head Office: 108/45 Soi Changwattana 20,Changwattana Rd.,
Pakkred Sub-District, Pakkred District, Nonthaburi Province 11120
Tel : +66 (0) 2584-1777 Fax : +66 (0) 2584-2074
www.thaicoconut.com
Factory : 67 Moo 1, Nongklangna Sub-District,
Muang Ratchaburi District, Ratchaburi Province 70000
Tel : +66 (0) 3274-1799 Fax : +66 (0) 3274 -1782
www.thaicoconut.com

Liabilities

As of 30 June 2026, the Company had total liabilities of 5,643.25 million baht, an increase of 1,243.39 million baht, or 28.26%, compared with 31 December 2025. The increase was mainly attributable to higher short-term and long-term borrowings to support working capital requirements in line with the Company's operating plans and preparations for sales in the following periods. The additional borrowings were also used to support investments in machinery, machinery installation systems, and other investment projects, including the expansion of coconut water production capacity and the development of a new production facility in the Philippines, with the aim of supporting business growth and enhancing future production capacity.

Shareholder's Equity

As of 30 June 2026, the Company had total shareholders' equity of 3,497.98 million baht, an increase of 28.30 million baht, or 0.82%, compared with 31 December 2025. The increase was mainly attributable to the net profit generated during the period, while the Company also made dividend payments and recorded changes in other components of shareholders' equity during the period.

Factors That Could Affect Future Operations or Growth

The Company operates its business in a highly competitive environment and continues to encounter uncertainties arising from both domestic and global economic factors, particularly within the food and beverage industry relating to coconut based products, pet food products, and health oriented products. Market growth prospects may be affected by consumer purchasing power, inflationary pressures, interest rates, energy costs, freight charges, as well as fluctuations in agricultural raw material and packaging costs. Furthermore, global economic uncertainty, foreign exchange volatility, geopolitical tensions, and changes in trade policies, trade protection measures, and import tariffs imposed by trading partner countries may adversely affect export activities, operating costs, and the Company's competitiveness. Nevertheless, the Company has closely monitored and continuously assessed such developments and has accordingly adjusted its business strategies to align with prevailing market conditions to mitigate potential impacts from future uncertainties.

At the same time, the Company continues to recognize growth opportunities from the ongoing expansion in demand for health oriented food and beverage products in international markets, particularly coconut water and processed coconut products, as well as the continued growth of the pet food and value added product segments, which are expected to support the Company's long term revenue growth. In this regard, the Company remains committed to strengthening its risk management framework and enhancing operational efficiency on a continuous basis through prudent cost management, foreign exchange risk management, production efficiency improvement, raw material management, diversification of customer base and export markets, as well as the development of new products in line with evolving consumer preferences, in order to maintain its competitiveness and support sustainable long term growth.

Sustainable Business Operations in line with ESG Principles and SDG Goals

The Company is committed to conducting its business in accordance with ESG (Environmental, Social, and Governance) principles and supporting the Sustainable Development Goals (SDGs), with emphasis on achieving business growth alongside responsibility toward the environment, society, and stakeholders under the concepts of Climate Resilience, Circular Economy, and Net Zero Transition, in order to create sustainable long term growth. In the environmental dimension, the Company continues to advance its Green Manufacturing initiatives through the promotion of clean energy utilization, including solar rooftop systems and biomass fuel, as well as the application of AI and IoT technologies to enhance production efficiency, reduce losses, and improve resource efficiency throughout its operations. In addition, the Company has entered into a Memorandum of Understanding (MOU) with SCGP under the "Old for New by SCGP RECYCLE" project to support waste management and the management of residual materials in accordance with Circular Economy principles. The project is currently under implementation, with recycling systems being continuously developed. At the same time, the Company has entered an MOU with Kasetsart University under a research project concerning the development of allometric equations for coconut trees to support studies relating to carbon sequestration, carbon footprint management, and greenhouse gas emission reduction approaches. The project is currently in the research and academic data collection phase in preparation for the Company's Net Zero Emissions objectives and future climate related disclosure requirements. Furthermore, the Company places significant importance on maintaining a responsible supply chain and conducting business sustainably together with farmers, local communities, and business partners, alongside adherence to good corporate governance, effective risk management, and transparent ESG disclosure practices. These efforts aim to strengthen stakeholder confidence and enhance the Company's competitiveness in alignment with internationally recognized sustainable growth practices.

Please be informed accordingly.

(Dr. Worawat Chinpinkyo)
Chief Executive Officer
Thai Coconut Public Company Limited