



Solutions Unfold

Management Discussion and Analysis

Operating Results

For the second quarter and six months ended 30 June 2026



This Management Discussion and Analysis presents and explains the Company's operating results. The information presented may change in the future. Investors seeking further information may contact Investor Relations at +66 34 824 1228 or IR@tipak.co.th IR@tipak.co.th

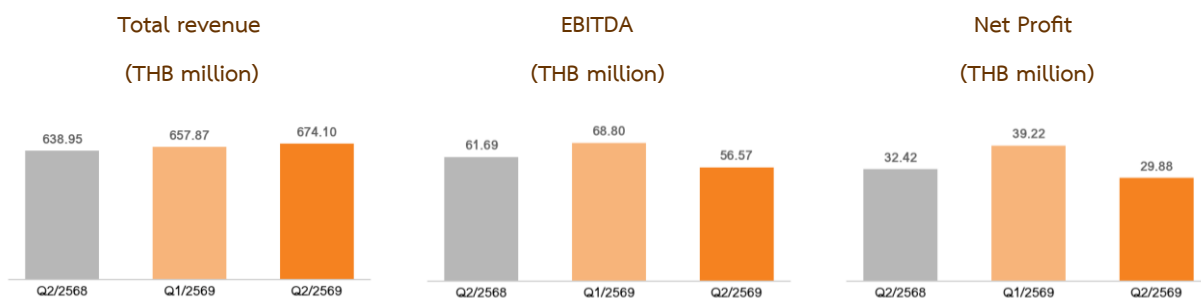
Industry Overview

In the second quarter of 2026, Thailand's manufacturing sector slowed. The Manufacturing Production Index (MPI) stood at 96, contracting 2% year on year, while average capacity utilization was 57%. The sector faced pressure from contractions in key industries and volatile energy and freight costs amid conflict in the Middle East. Nevertheless, the manufacture of corrugated paper, corrugated paperboard and paper and paperboard packaging remained resilient. Its MPI rose 3% year on year in the first half of 2026, making it one of five industry groups with continued output growth during the period. This reflects sustained demand for paper packaging despite the broader slowdown.

Summary of Operating Results for the Three Months Ended 30 June 2026

The Company's second quarter 2026 results compared with the preceding quarter and the same period of the previous year

Total revenue	EBITDA	Net profit
674.10 THB million	56.57 THB million	29.88 THB million
increase 2.47%	decrease 17.78%	decrease 23.81%
quarter on quarter	quarter on quarter	quarter on quarter
increase 5.50%	decrease 8.30%	decrease 7.85%
year on year	year on year	year on year



For the second quarter of 2026, the Company generated total revenue of THB 674.10 million, increasing by THB 16.23 million or 2.47% quarter on quarter and by THB 35.15 million or 5.50% year on year. Nevertheless, the growth in cost of sales outpaced revenue growth, leading to a reduction in the gross profit margin to 14.88%, compared with 16.35% in the previous quarter and 16.39% in the same period last year.

The Company posted a net profit of THB 29.88 million in the second quarter of 2026, decreasing by 23.81% quarter on quarter and 7.85% year on year. As a result, the Company recorded a net profit margin of 4.43%.

Summary of Second Quarter 2026 Operating Results

(THB million)

Item	Q2/2025	Q1/2026	Q2/2026	Compared with preceding quarter (%)	Year on year (%)
Operating Results per the Financial Statements					
Revenue from sales	637.41	654.48	673.15	2.85	5.61
Cost of sales	532.96	547.50	572.96	4.65	7.51
Gross profit	104.45	106.98	100.19	(6.35)	(4.08)
Gross profit margin (%)	16.39	16.35	14.88	-	-
Distribution costs and administrative expenses	65.73	65.93	69.13	4.85	5.18
EBITDA	61.69	68.80	56.57	(17.78)	(8.30)
EBITDA margin (%)	9.65	10.46	8.39	-	-
Profit for the period	32.42	39.22	29.88	(23.81)	(7.85)
Finance costs	4.92	4.69	4.48	(4.38)	(8.83)
Income tax expense (income)	8.43	2.54	(2.32)	(191.27)	(127.46)
Net profit margin (%)	5.07	5.96	4.43	-	-
Earnings per share (THB)	0.08	0.10	0.07	-	-

Note: All figures presented in the table are expressed in THB million, except for ratios, which are presented as percentages (%), and earnings per share (EPS), which are presented in Baht per share.

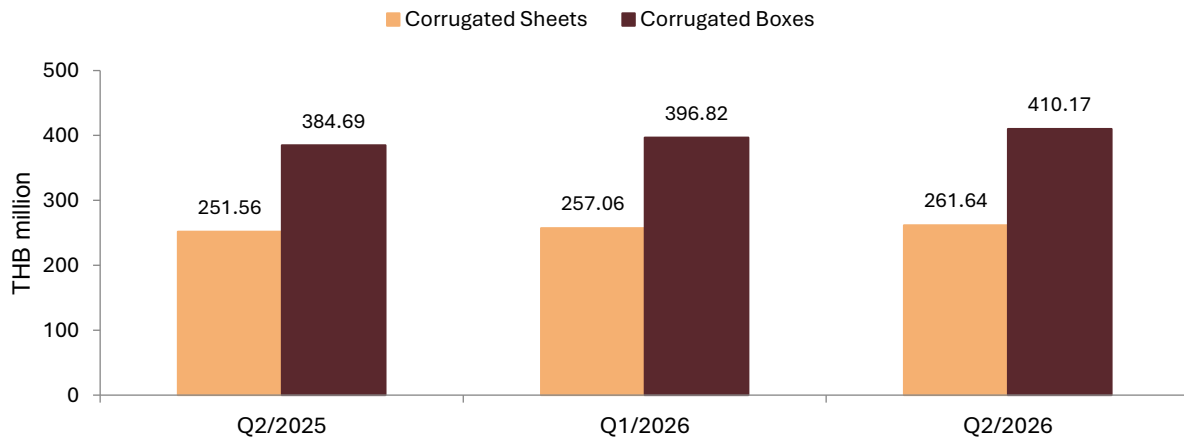
Distribution costs and administrative expenses comprise selling expenses, transportation expenses and administrative expenses.

Revenue from Sales

Sales revenue totaled THB 673.15 million, increasing by 2.85% quarter on quarter and 5.61% year on year. The growth was mainly attributable to increased sales of corrugated sheets and corrugated boxes. The improvement reflects the Company's continued implementation of proactive business development strategies aimed at expanding its customer base and generating additional sales opportunities. The Company remains committed to maintaining strong relationships with existing customers while actively penetrating new customer segments and industries with strong growth potential. In parallel, the Company continues to broaden its product portfolio, enhance product value, and develop innovative solutions tailored to customer requirements. Through its close engagement with customers and continuous assessment of market needs, the Company is able to provide products and services that effectively address customer demands and support sustainable order growth.

Revenue Mix

Revenue from Sales by Product



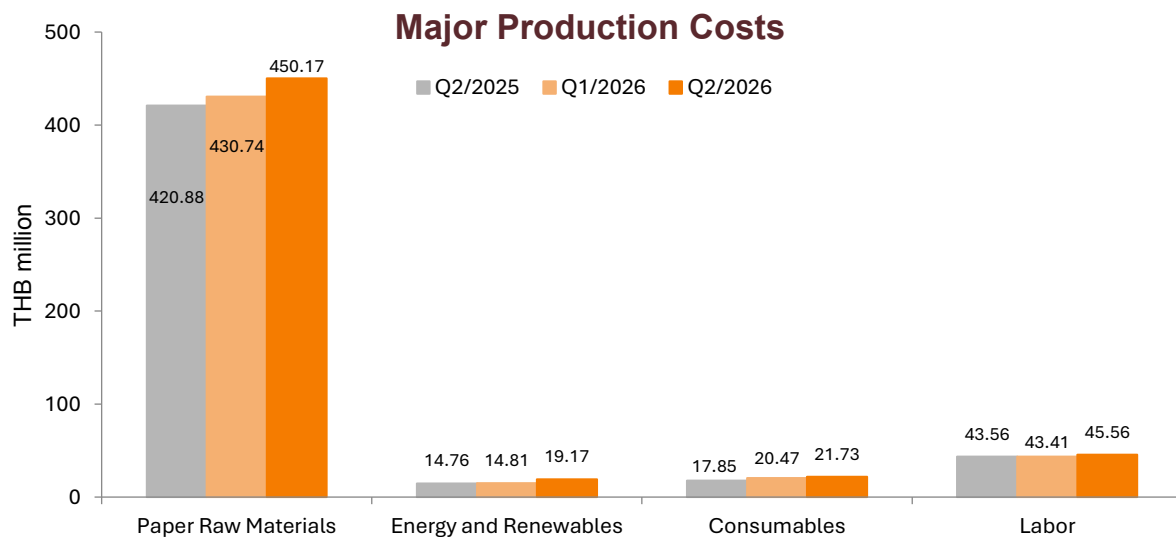
Revenue from Core Products in Q2/2025, Q1/2026 and Q2/2026

Other Income

Other income for the second quarter of 2026 totaled THB 0.95 million, decreasing by THB 2.44 million or 72.05% quarter on quarter and THB 0.60 million or 38.66% year on year with no significant change.

Cost of Sales

Cost of sales in the second quarter of 2026 was THB 572.96 million, increasing by THB 25.46 million or 4.65% quarter on quarter and THB 40.01 million or 7.51% year on year.



Major cost items	Q2/2025	Q1/2026	Q2/2026	Compared with preceding quarter (%)	Year on year (%)
Paper raw materials	420.88	430.74	450.17	4.51	6.96
Energy and renewable energy	14.76	14.81	19.17	29.40	29.91
Consumables	17.85	20.47	21.73	6.15	21.77
Labor	43.56	43.41	45.56	4.98	4.61
Total cost of sales	532.96	547.50	572.96	4.65	7.51

The increase was mainly driven by higher paper roll prices in 2026 and increased paper roll consumption. Additionally, the costs of production consumables, including glue and inks, rose due to increases in both unit costs and consumption volumes. Depreciation expenses also increased as a result of additional investments in machinery to improve production efficiency. Moreover, personnel expenses increased following the expansion of the workforce in production and specialized operational functions to support business growth and uphold product quality standards. Nevertheless, revenue from the sale of waste paper, which is netted against cost of sales, increased slightly in line with the higher volume of waste paper generated, thereby partially offsetting the increase in production costs.

Gross Profit

Gross profit for the second quarter of 2026 amounted to THB 100.19 million, decreasing by THB 6.79 million, or 6.35% quarter on quarter, and THB 4.26 million, or 4.08% year on year. As a result, the gross profit margin declined to 14.88%, compared with 16.35% quarter on quarter and 16.39% year on year. The decline was primarily attributable to higher raw material costs used in the production process, particularly increases in the prices of paper, ink, glue, and other production-related materials, which resulted in a higher overall production cost. The Company continues to actively manage its pricing strategy by considering adjustments to selling prices in line with movements in raw material costs. However, for certain corrugated box customers, the Company was unable to immediately adjust selling prices to fully reflect the increase in costs, resulting in a decrease in both gross profit and gross profit margin. In addition, depreciation expenses increased as a result of further investments in machinery and equipment aimed at enhancing production efficiency. Nevertheless, the Company remains committed to effective cost management and control, continuous improvement of production efficiency, sales promotion initiatives, and the implementation of appropriate pricing strategies in response to changes in cost structures and market competition, in order to maintain its competitiveness.

Distribution Costs

Distribution costs in the second quarter of 2026 were THB 36.17 million, increasing by THB 2.08 million or 6.10% quarter on quarter and THB 3.33 million or 10.14% year on year. These comprised selling expenses of THB 9.35 million and transportation expenses of THB 26.82 million. Transportation expenses increased 9.92% quarter on quarter and 15.99% year on year. The increase was mainly driven by higher transportation costs, which were consistent with the growth in corrugated box sales volume. Furthermore, transportation charges increased as a result of higher fuel prices, leading to an overall increase in logistics expenses.

(THB million)

Distribution cost components	Q2/2025	Q1/2026	Q2/2026	Compared with	Year on year (%)
				preceding quarter (%)	
Selling expenses	9.72	9.69	9.35	(3.57)	(3.85)
Transportation expenses	23.12	24.40	26.82	9.92	15.99
Total distribution costs	32.84	34.09	36.17	6.10	10.14

Administrative Expenses

Administrative expenses in the second quarter of 2026 were THB 32.97 million, increasing by THB 1.13 million or 3.53% quarter on quarter and THB 0.08 million or 0.24% year on year. The year-on-year change was relatively minor and did not constitute a material change. The increase in administrative expenses was primarily attributable to higher personnel expenses, reflecting the Company's continued investment in the management and development of its human resources to support future business growth and operations.

Finance Costs

Finance costs in the second quarter of 2026 were THB 4.48 million, decreasing by THB 0.21 million or 4.38% quarter on quarter and THB 0.43 million or 8.83% year on year. The change was mainly attributable to movements in short-term working capital loans, long-term loans from financial institutions, and long-term lease obligations.

Income Tax Expense

For the second quarter of 2026, the Company recognized an income tax benefit of THB 2.32 million, compared to an income tax expense of THB 2.54 million in the previous quarter, representing a change of THB 4.85 million, or 191.27%. Compared to an income tax expense of THB 8.43 million in the corresponding period of the previous year, this represented a change of THB 10.75 million, or 127.46%. The change was mainly attributable to the Company receiving an investment promotion certificate from the Board of Investment for the manufacture of products from pulp or recycled paper. The Company

is entitled to various tax incentives, including a corporate income tax exemption on net profit derived from the promoted business for a period of three years, an exemption from import duties on machinery, and an exemption from including dividends derived from the promoted business, which is exempt from corporate income tax, in taxable income throughout the corporate income tax exemption period. Such tax incentives are subject to the periods, conditions, and requirements specified in the investment promotion certificate. Accordingly, these tax incentives resulted in a decrease in income tax expense in 2026.

Net Profit

Net profit for the second quarter of 2026 amounted to THB 29.88 million, decreasing by THB 9.34 million, or 23.81% quarter on quarter, and THB 2.54 million, or 7.85% year on year. Consequently, the net profit margin declined to 4.43%, compared with 5.96% in the preceding quarter and 5.07% in the same period of the prior year. The decline in net profit was mainly attributable to lower gross profit, driven by higher production costs arising from increases in the prices of key raw materials, including paper, inks, glue, and other manufacturing materials, together with higher depreciation expenses resulting from investments in machinery and equipment to improve production efficiency. Although the Company continues to actively manage its pricing strategy and adjust selling prices in response to changes in raw material costs, such adjustments could not be immediately implemented for certain corrugated box customers, thereby exerting downward pressure on both gross profit and net profit. Nevertheless, the Company received benefits under its BOI investment promotion certificate for the manufacture of products derived from pulp or recycled paper, including a three-year exemption from corporate income tax on profits generated from the promoted activity. These tax incentives reduced income tax expenses during the first half of 2026 and helped alleviate the impact of higher operating costs on the Company's profitability.

Summary of Operating Results for the Six Months Ended 30 June 2026

Summary of First Half Operating Results

(THB million)

Operating results summary	H1/2025	H1/2026	%YoY
Revenue from sales	1,302	1,328	2%
Gross profit	225	207	(8%)
Operating profit	98	76	(29%)
Operating profit margin	8%	6%	(2%)
Net profit	72	69	(4%)

Revenue from Sales

Revenue from sales of goods for the first half of the year amounted to THB 1,328 million, an increase of THB 26 million, or 2%, compared with the same period of the previous year. The increase was mainly attributable to an increase in revenue from sales of corrugated boxes of THB 30 million, or 4%, as the sales volume of corrugated boxes for the first half of the year increased compared with the same period of the previous year. This was driven by the Company's proactive strategies to continuously expand its customer base and sales opportunities. The Company focuses on building relationships with and retaining existing customers, while expanding into new customer segments and industries with high potential and growth prospects. The Company also continues to diversify its product offerings, offer value-added products, and closely monitor and understand customer needs in order to provide products and services that meet their requirements and continuously increase opportunities to secure purchase orders.

Revenue Mix

Revenue Mix by Product

(THB million)

Sales revenue by product	H1/2025	H1/2026	%YoY
Corrugated boxes	776	807	4%
Corrugated sheets	523	519	(1%)
Others /1	3	2	(33%)
Total revenue	1,302	1,328	2%

Note: /1 Other sales revenue includes sales of paper rolls, printing blocks and plates, among others.

Revenue from sales of goods for the first half of the year amounted to THB 1,328 million. This comprised revenue from sales of corrugated boxes of THB 807 million, an increase of THB 31 million, or 4%, compared with the same period of the previous year, and revenue from sales of corrugated sheets of THB 519 million, a decrease of THB 4 million, or 1%, compared with the same period of the previous year. This was in line with the Company's objective to increase the proportion of corrugated box sales, as corrugated boxes have higher selling prices and profit margins than corrugated sheets, resulting in a decrease in corrugated sheet sales volume.

Other Income

Other income for the first half of the year amounted to THB 4 million, an increase of THB 1 million, or 33%, compared with the same period of the previous year. The increase was mainly attributable to insurance claim income received by the Company as compensation for damage to products and raw materials.

Cost of Sales

Cost of sales for the first half of 2026 amounted to THB 1,120 million, an increase of THB 44 million, or 4%, compared with the same period of the previous year. The increase was mainly attributable to higher paper roll prices during 2026 and higher paper roll consumption, in line with the increase in production and sales volumes of corrugated boxes, resulting in an increase in paper roll costs of approximately THB 28 million, or 3%. In addition, the cost of consumables used in the production process, such as glue and ink, increased due to both higher prices and higher consumption. Depreciation costs also increased as a result of additional investments in machinery to enhance production efficiency, together with higher personnel costs from an increase in the number of employees in production lines and specialised functions to support operations and maintain product quality standards. However, revenue from sales of paper scrap, which is presented net against cost of sales, increased slightly in line with the higher volume of paper scrap, partially offsetting the impact of higher production costs.

Gross Profit

Gross profit for the first half of the year amounted to THB 207 million, a decrease of THB 19 million, or 8%, compared with the same period of the previous year. The decrease was due to higher costs of raw materials used in the production process, particularly paper, ink, glue and other production-related materials, which increased overall production costs. The Company continued to manage its pricing strategy by considering adjustments to selling prices in line with changes in raw material costs. However, for certain corrugated box customers, the Company was unable to adjust selling prices immediately in line with cost changes, resulting in decreases in gross profit and gross profit margin. In addition, depreciation costs increased as a result of additional investments in machinery and equipment to enhance production efficiency. Nevertheless, the Company remains focused on cost management and control, improving production efficiency, promoting sales, and managing its pricing strategy appropriately in response to changes in costs and competitive conditions in order to maintain its competitiveness.

Distribution Costs

Distribution costs for the first half of the year amounted to THB 70 million, an increase of THB 3 million, or 5%, compared with the same period of the previous year. The increase was mainly attributable to higher transportation costs, in line with the increase in corrugated box sales volume, together with higher freight rates resulting from the increase in oil prices.

Administrative Expenses

Administrative expenses for the first half of the year amounted to THB 65 million, an increase of THB 1 million, or 1%, compared with the same period of the previous year, with no significant change. The main item contributing to the increase in administrative expenses was higher personnel expenses, reflecting the Company's investment in personnel management and development to support future business growth.

Finance Costs

Finance costs for the first half of the year amounted to THB 9 million, a decrease of THB 1 million, or 6%, compared with the same period of the previous year. The decrease was mainly attributable to changes in revolving credit facilities, long-term bank borrowings, and various long-term lease agreements.

Income Tax Expense

Income tax expense for the first half of the year amounted to THB 0.2 million, a decrease of THB 19 million, or 99%, compared with the same period of the previous year. The decrease was mainly attributable to the Company receiving an investment promotion certificate from the Board of Investment for the manufacture of products from pulp or recycled paper. The Company is entitled to various tax incentives, including a corporate income tax exemption on net profit derived from the promoted business for a period of three years, an exemption from import duties on machinery, and an exemption from including dividends derived from the promoted business, which is exempt from corporate income tax, in taxable income throughout the corporate income tax exemption period. Such tax incentives are subject to the periods, conditions, and requirements specified in the investment promotion certificate. Accordingly, these tax incentives resulted in a decrease in income tax expense in 2026.

Net Profit

Net profit for the first half of the year amounted to THB 69 million, a decrease of THB 3 million, or 4%, compared with the same period of the previous year. The decrease was due to higher costs of raw materials used in the production process, including paper, ink, glue and other production-related materials, as well as higher depreciation of machinery resulting from additional investments in machinery and equipment to enhance production efficiency. The Company continued to manage its pricing strategy by considering adjustments to selling prices in line with changes in raw material costs. However, for certain corrugated box customers, the Company was unable to adjust selling prices immediately in line with cost changes, resulting in decreases in gross profit and net profit. Meanwhile, the Company received benefits under its investment promotion certificate for the manufacture of products from pulp or recycled paper, including a three-year corporate income tax exemption on profits

derived from the promoted business. This resulted in lower income tax expense in the first half of 2026 and helped mitigate the impact on the Company's net profit.

Analysis of Key Financial Ratios

As of 30 June 2026, the Company's current ratio was 0.92x, which was largely in line with 0.91x as of the end of 2025. Meanwhile, the cash conversion cycle improved to (2.44) days from 2.62 days, primarily driven by an increase in the average payment period. The gross profit margin declined to 15.60% from 16.51%, mainly as a result of higher raw material costs and increased depreciation expenses. Nevertheless, the net profit margin improved to 5.19% from 4.77%, supported by tax incentives granted under the Company's investment promotion privileges.

In terms of capital structure, the debt-to-equity ratio stood at 1.09x, increasing slightly from 1.06x as of the end of 2025, primarily due to an increase in trade payables and other current liabilities. Meanwhile, the interest coverage ratio improved to 13.88x from 12.48x. The return on assets (ROA) and return on equity (ROE) were 5.25% and 11.26%, respectively.

Key financial ratios	2025	6M/2026
Current ratio (times)	0.91	0.92
Cash conversion cycle (days)	2.62	(2.44)
Gross profit margin (%)	16.51	15.60
Net profit margin (%)	4.77	5.19
Return on assets (%)	5.56	5.25
Return on equity (%)	12.11	11.26
Debt-to-equity ratio (times)	1.06	1.09
Interest coverage ratio (times)	12.48	13.88

Note: Ratios are based on figures in the Filing for 2025 and the six months ended 30 June 2026.

Statement of Financial Position Analysis

As of 30 June 2026 compared with 31 December 2025

(THB million)



The reasons for changes in the Company's statement of financial position are as follows:

- **Total assets** as of June 30, 2026 amounted to THB 2,280 million, an increase of THB 92 million, or 4%, compared with December 31, 2025. The increase was mainly due to an increase in trade and other current receivables, resulting from higher sales of corrugated sheets and corrugated boxes during the second quarter of 2026. As a result, as of June 30, 2026, the Company had an increase in trade receivables that were not yet due.
- **Total liabilities** as of June 30, 2026 amounted to THB 1,189 million, an increase of THB 62 million, or 6%, compared with December 31, 2025. The increase was mainly attributable to higher trade and other current payables, particularly trade payables, which rose in line with the trend in paper roll prices and the higher volume of purchases of paper rolls and raw materials during the second quarter of 2026 to support increased production and sales of corrugated boxes, together with an increase in short-term borrowings from financial institutions for working capital. However, the increase in liabilities was partially offset by a decrease in long-term borrowings from financial institutions due to repayments during the first half of 2026.
- **Shareholders' equity** as of June 30, 2026 amounted to THB 1,091 million, an increase of THB 30 million, or 3%, compared with December 31, 2025, as a result of the Company's operating performance.

Statement of Cash Flow Analysis

As of 30 June 2026 compared with 30 June 2025

Key Financial Activities of the Company

(THB million)

Statement of cash flows	H1/2025	H1/2026
Cash and cash equivalents at beginning of period	77	50
Net cash from (used in) operating activities	164	127
Net cash from (used in) investing activities	(125)	(49)
Net cash from (used in) financing activities	(65)	(82)
Cash and cash equivalents at end of period	51	46

The reasons for changes in the Company's cash flow are as follows:

- Net cash from operating activities** for the first half of the year amounted to THB 127 million, mainly attributable to the Company's operating results and profit for the period. Profit from operations before changes in operating assets and liabilities amounted to THB 128 million, arising from the Company's normal business operations. However, the Company's operating assets and liabilities recorded a net increase of THB 4 million, mainly comprising an increase in trade and other current receivables of THB 49 million, an increase in inventories of THB 40 million, and an increase in trade and other current payables of THB 96 million.
- Net cash used in investing activities** for the first half of the year amounted to THB 49 million. The Company continued to invest in buildings and wastewater treatment system equipment, a project that commenced in 2025. In 2026, the Company invested THB 8 million in buildings and wastewater treatment system equipment, and the project is expected to be completed within the third quarter of 2026. In addition, the Company invested in machinery and other assets, such as an automatic glue mixing machine, an automatic printing block washing machine, and a robotic corrugated box bundling machine.
- Net cash used in financing activities** for the first half of the year amounted to THB 82 million. The Company repaid long-term borrowings from financial institutions and paid interest of THB 44 million and THB 9 million, respectively, and made lease liability payments of THB 8 million. In addition, the Company paid dividends to its shareholders of THB 41 million.

Sustainability Performance

The Company recognizes the importance of good corporate governance and has established a sustainability policy to guide its business, management systems and long-term development. It integrates economic, social and environmental considerations throughout its operations and supply chain, communicating this approach across operating units and aligning their plans to create lasting value for stakeholders.

Environmental Performance

Rooftop solar systems

The Company uses clean energy to reduce purchased electricity. Rooftop solar systems at its Samut Sakhon and Prachin Buri plants convert sunlight into electricity for use in operations. As at 20 September 2022, installed capacity was 999.90 kW in Samut Sakhon and 629.20 kW in Prachin Buri.



Samut Sakhon Plant



Prachin Buri Plant

Renewable Energy Use Biomass

At its Samut Sakhon plant, the Company uses wood scraps, unused old furniture and other materials as fuel to generate electricity or steam. The system was installed on 25 December 2019.



Opaque roofing

The Company has also replaced opaque roofing at its corrugated paper plant with translucent materials to reduce daytime electricity use.



Samut Sakhon



Prachin Buri

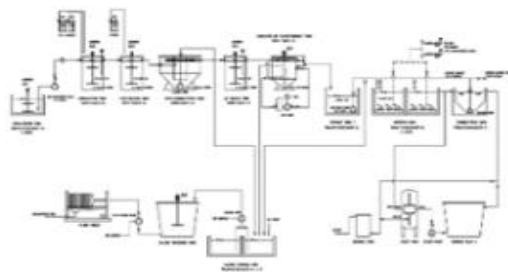
Waste Management

The Company has a waste separation policy for employees throughout the organization. Glass, paper, metal and plastic can be sold for recycling, reducing waste and providing supplementary income to employees.



Wastewater and Production Chemical Management

The Company treats wastewater and chemicals from production in accordance with technical principles, legal requirements and generally accepted standards. It selects high-quality machinery and tools to minimize waste generation.



Upcycling Workshop

Together with Sukhothai Thammathirat Open University Press, the Company organized talks and knowledge sharing on designing useful items from discarded materials. The event encouraged creativity, environmental awareness and responsible resource use.



Mangrove Planting Activity

On 4 July 2025, the Company and Wat Rat Rangsan School brought students and teachers to the eastern Mahachai natural resources and environmental conservation and restoration learning center for a community mangrove planting activity. Participants planted mangroves, collected litter and released mud crabs. Educational talks raised awareness of natural resources and biodiversity, ecosystem balance, food security and sustainable coexistence between communities and forests.



Automatic Flexographic Plate Cleaner System Project

This project aims to replace manual plate cleaning with a fully automated process to improve production efficiency, support the Company's ESG goals and eliminate related occupational health risks.

Water and chemical savings can be expressed as reductions in greenhouse gas emissions (carbon dioxide equivalent, CO₂e) using internationally recognized carbon footprint assessment criteria and Thai standards, as follows:

- Clean water savings: estimated annual tap water savings of 63,801 L, equivalent to 10.38 kg CO₂e per year.
- Cleaning chemical savings: estimated annual savings of 972 L, equivalent to 2,430.00 kg CO₂e per year.
- Total estimated reduction is 10.38 + 2,430 = 2,440.38 kg CO₂e per year, equivalent to the annual carbon dioxide absorption capacity of more than 244 mature trees.



Social Performance

Flood Relief

Following prolonged heavy rain and flash floods in northern and northeastern Thailand in 2024, the Company donated supplies through the Zendai Foundation for distribution to affected communities.



Following the severe flooding in Hat Yai, Songkhla, in 2025, the Company joined the Federation of Thai Industries and Thailand Post in the “Thai Kindness to the South” campaign, donating essential supplies for distribution to flood victims through the Industrial Development Foundation.



Donations of Goods and Financial Support

The Company donated goods and funds to the Samut Sakhon Provincial Disability Service Center, a public charity supporting people with disabilities, to give back to the community where it has operated for more than 70 years.



On the annual 12 August birthday anniversary of Her Majesty Queen Sirikit The Queen Mother, the Company donated goods to the Mirror Foundation, a nongovernmental organization active in social development, human rights, media and information technology, volunteer development and resource sharing. The donation expressed gratitude for Her Majesty's contributions and supported the wider community.



Blood Donation Activity

The Company invited employees to donate blood on 12 August 2025 to mark the birthday anniversary of Her Majesty Queen Sirikit The Queen Mother. The activity encouraged social participation, with donated blood provided through the Thai Red Cross Society for patient treatment.



Governance Sustainability Management

The Company is committed to sustainable management. It conducts its business and pursues new opportunities in compliance with applicable laws and regulations, including anti-corruption requirements, to ensure transparency and accountability. It considers the interests of the Company and shareholders and treats stakeholders in accordance with key policies, including its corporate governance policy, code of conduct, anti-corruption policy and inside information policy.