Management Discussion and Analysis

For Quarter 3 Ending September 30, 2026

Unit: Million baht

Performance	Q3/2026	%	Q2/2026	%	Q3/2025	%	Change % YoY	Change % QoQ	9M/2026	%	9M/2025	%	เพิ่ม (ลด) % YoY
Total revenues	277.8	100.5	362.3	101.7	323.1	100.8	(14.0)	(23.3)	911.7	101.4	1,084.9	101.0	(16.0)
Revenue from sales	276.4	100.0	356.4	100.0	320.4	100.0	(13.7)	(22.4)	898.9	100.0	1,074.0	100.0	(16.3)
Other income	1.4	0.5	2.5	0.7	1.8	0.6	(22.2)	(44.0)	4.8	0.5	5.4	0.5	(11.1)
Net foreign exchange gain	-	-	3.4	1.0	0.9	0.3	(100.0)	(100.0)	8.0	0.9	5.5	0.5	45.5
Cost of sales	265.8	96.2	301.6	84.6	278.1	86.8	(4.4)	(11.9)	815.8	90.8	939.7	87.5	(13.2)
Gross Profit	10.6	3.8	54.8	15.4	42.3	13.2	(74.9)	(80.7)	83.1	9.2	134.3	12.5	(38.1)
% GPM	3.8		15.4		13.2		(9.4)	(11.6)	9.2		12.5		(3.3)
Selling and Administrative expenses	68.7	24.9	61.6	17.3	53.7	16.7	27.9	11.5	187.1	20.8	179.8	16.7	4.1
Selling and Distribution expenses	33.9	12.3	28.4	8.0	22.9	7.1	48.0	19.4	83.6	9.3	82.8	7.7	1.0
Administrative expenses	34.1	12.3	33.2	9.3	30.8	9.6	10.7	2.7	103.5	11.5	97.0	9.0	6.7
Net foreign exchange loss	0.7	0.3	-	-	-	-	N/A	N/A	-	-	-	-	-
SG&A	68.7	24.9	61.6	17.3	53.7	16.7	26.6	10.4	187.1	20.8	179.8	16.7	4.1
% SG&A to Sale	24.9		17.3		16.7		7.9	7.3	20.8		16.7		4.1
Loss from operating activities	(56.7)	(20.5)	(0.9)	(0.3)	(8.7)	(2.7)	551.7	6200.0	(91.2)	(10.1)	(34.6)	(3.2)	163.6
Finance costs	3.6	1.3	3.4	1.0	2.4	0.7	50.0	5.9	10.4	1.2	4.8	0.4	116.7
Tax expenses (Income)	2.2	0.8	(2.1)	(0.6)	0.5	0.2	340.0	204.8	(0.8)	(0.1)	(0.7)	(0.1)	14.3
Net Loss	(62.5)	(22.6)	(2.2)	(0.6)	(11.6)	(3.6)	438.8	2740.9	(100.8)	(11.2)	(38.7)	(3.6)	160.5
% Net Loss	(22.6)		(0.6)		(3.6)		(19.0)	(22.0)	(11.2)		(3.6)		(7.6)
EBITDA	(6.0)	(2.2)	40.7	11.4	22.9	7.1	(126.2)	(114.7)	38.2	4.2	65.6	6.1	(41.8)

Overview of business operations

The operating results of Royal Plus Public Company Limited ("The Company"), based on its financial performance for the third quarter of 2026, showed total revenue of 277.8 million baht, decreasing 14.0% YoY. Total revenue comprised revenue from sales of 276.4 million baht and other income of 1.4 million baht. Revenue from sales decreased 13.7% YoY, primarily from lower sales from customers in North America and the Middle East, which decreased 22.3% and 25.9% YoY, respectively. These decreases were mainly attributed to macroeconomic conditions, living costs, and uncertainties regarding U.S. import tariff measures and trade policies, which impacted consumer purchasing power and the purchasing decisions of customers in North America. Additionally, lingering geopolitical conflicts continued to affect international shipping routes. However, as the Company remains focused on expanding distribution channels and marketing all product groups, including new products, to new country groups to build business partnerships, as well as preparing for business expansion through Co-Brand product development with partners to drive sustainable revenue growth in various regions worldwide, sales in several regions recorded strong growth YoY, with Africa increasing by 35.0% Latin America & the Caribbean by 16.9%, Europe by 16.1%, Asia by 13.3%, and domestic sales of 100% coconut water under the "COCO ROYAL" brand by 25.0%.

Cost of sales to revenue from sales in 3Q2026 stood at 96.2%, decreasing 4.4% YoY, resulting in a gross profit margin of 3.8%. This corresponded with the decrease in revenue from sales, coupled with the initial launch of the plastic bottle product line, the capacity utilization of machinery for the Aseptic & Warm-fill product line did not meet the planned target, while fixed costs remained at a high level.

Selling and administrative expenses in 3Q2026 amounted to 68.7 million baht, or 24.9% of revenue from sales, increasing 27.9% YoY. This compared to 53.7 million baht, or 16.7% of revenue from sales, recorded in the same period of the previous year. This was primarily due to increased sales promotion expenses to build greater brand awareness both domestically and internationally, as well as allowances for inventory obsolescence in accordance with aging policies and annual destruction expenses for obsolete inventory. Consequently, the Company reported a net loss of 62.5 million baht

Revenue from sales

For the third quarter of 2026, Total revenue from sales was 276.4 million baht, a decrease of 44.0 million baht or 13.7% YoY. This was mainly from a 22.3% decrease in sales from North American customers due to economic conditions, living costs, and tariff/trade policy uncertainties affecting purchasing power and purchasing decisions, and a 25.9% decrease from Middle Eastern customers due to lingering geopolitical conflicts impacting international shipping routes. However, the Company accelerated the expansion of distribution channels to other regions, resulting in increased sales in several regions YoY, with Africa increasing by 35.0% Latin America & the Caribbean by 16.9%, Europe by 16.1%, Asia by 13.3%, and domestic sales of 100% coconut water under the " COCO ROYAL" brand by 25.0%.

For the nine-month period of 2026, Total revenue from sales was 898.9 million baht, a decrease of 175.1 million baht or 16.3% YoY. This was mainly from a 34.9% decrease in North America, a 3.3% decrease in the Middle East, and a 2.4% decrease in Asia. Expansion into new regions resulted in sales growth in Africa by 71.6%, Latin America and the Caribbean by 36.4%, and Oceania by14.2%. Despite regional geopolitical conflicts, the Company achieved 2.8% sales growth in Europe and a 20.4% increase in domestic 100% coconut water sales YoY.

Cost of sales

For the third quarter of 2026, total cost of sales was 265.8 million baht, accounting for 96.2% of revenue from sales, a decrease of 12.3 million baht or 4.4% YoY, which was in line with the decrease in revenue from sales. Meanwhile, certain manufacturing costs remained high, such as depreciation, as well as fuel oil and energy prices driven by war conflicts, which impacted production costs.

For the nine-month period of 2026, total cost of sales for the 9-month period of 2026 was 815.8 million baht, accounting for 90.8% of revenue from sales, a decrease of 123.9 million baht or 13.2% YoY.

Net gain (loss) in foreign exchange

For the third quarter of 2026, net foreign exchange loss was 0.7 million baht, accounting for 0.3% of revenue from sales, decreasing from a net foreign exchange gain of 0.9 million baht in the same period of the previous year. This was caused by exchange rate volatility resulting from war conditions. The Company maintains an appropriate exchange rate risk management and control policy to maximize benefits without aiming primarily at foreign exchange speculation.

For the nine-month period of 2026, net foreign exchange gain was 8.0 million baht, accounting for 0.9% of revenue from sales, an increase of 2.5 million baht or 45.5% YoY.

Gross profit

For the third quarter of 2026, gross profit was 10.6 million baht, representing a gross profit margin of 3.8% of revenue from sales, decreasing from 13.2% in the same period of the previous year. This was due to lower revenue from sales and high fixed costs such as depreciation, during the initial startup phase of the plastic bottle (PET) production line. Nevertheless, the Company recognizes the importance of cost control, product development to meet consumer needs, and sales channel expansion to achieve targeted gross profit margins.

For the nine-month period of 2026, gross profit was 83.1 million baht, a decrease of 51.2 million baht or 38.1% YoY.

Selling and Distribution Expenses

For the third quarter of 2026, selling and distribution expenses were 33.9 million baht, an increase of 11.0 million baht or 48.0% YoY. This was primarily from higher export shipping expenses resulting from freight rates adjusted upward in response to fuel prices affected by war conditions, as well as continuous promotional and marketing expenses from expanding customer bases both domestically and internationally to stimulate sales and build brand awareness and engagement more effectively and precisely. The Company managed and controlled budgets appropriately, reducing certain selling expenses such as overseas inspection trips and entertainment expenses.

For the nine-month period of 2026, Selling and distribution expenses for the 9-month period of 2026 were 83.6 million baht, an increase of 0.8 million baht or 1.0% YoY, consistent with 3Q explanations, while maintaining appropriate and efficient management and control.

Administrative Expenses

For the third quarter of 2026, administrative expenses were 34.1 million baht, an increase of 3.3 million baht or 10.7% YoY. This was mainly from provisions for inventory obsolescence in accordance with aging policies and annual destruction operational fees for obsolete inventory.

For the nine-month period of 2026, administrative expenses for the 9-month period of 2026 were 103.5 million baht, an increase of 6.5 million baht or 6.7% YoY, mainly from inventory obsolescence provisions based on aging policies, migrant worker work permit fees under SMETA standards, and security expenses.

Net Loss

For the third quarter of 2026, net loss was 62.5 million baht, representing a net loss margin of 22.6% of revenue from sales, an increase of 50.9 million baht or 438.8% YoY compared to a net loss of 11.6 million baht in the same period of the previous year.

For the nine-month period of 2026, net loss was 100.8 million baht, representing a net loss margin of 11.2% of revenue from sales, an increase of 62.1 million baht or 160.5% YoY compared to a net loss of 38.7 million baht in the same period of the previous year.

The Company's Statement of Financial Position

(Unit: Million Baht)	30 September 2026	30 September 2025	% change
Total current assets	335.0	355.9	(5.9%)
Total non-current assets	1,504.9	1,461.0	3.0%
Total Assets	**1,839.9**	**1,816.9**	**1.3%**
Total current liabilities	441.2	338.6	30.3%
Total non-current liabilities	304.5	281.3	8.3%
Total Liabilities	**745.7**	**619.9**	**20.3%**
Capital	1,008.7	1,008.7	0.0%
Retained earnings	85.5	188.3	(54.6%)
Total shareholders' equity	**1,094.2**	**1,197.0**	**(8.6%)**

Assets

As of September 30, 2026, the Company reported total assets of 1,839.9 million baht, an increase of 1.3% from the end of 2025. Current assets amounted to 335.0 million baht, a decrease of 5.9%, mainly due to a decrease in cash and cash equivalents, while trade accounts receivable and other current assets increased. Non-current assets amounted to 1,504.9 million baht, an increase of 3.0%, mainly due to an increase in property, plant, and equipment, while advance payments for asset purchases decreased due to the completion of final installment payments.

Liabilities

As of September 30, 2026, the Company reported total liabilities of 745.7 million baht, an increase of 20.3% from the end of 2025. Current liabilities amounted to 441.2 million baht, an increase of 30.3%, mainly due to increases in bank overdrafts, short-term borrowings from financial institutions, and advance receipts. Non-current liabilities amounted to 304.5 million baht, an increase of 8.3%, mainly due to finance lease liabilities for asset acquisitions and provisions for future employee benefits.

Shareholders' Equity

As of September 30, 2026, total shareholders' equity amounted to 1,094.2 million baht, a decrease of 8.6%, resulting from the net operating loss for the first nine months of 2026 of 100.8 million baht and losses from changes in other components of shareholders' equity for cash flow hedges of 2.1 million baht.

Key Financial Ratios

Financial Ratios	Quarter 3	
	2026	2025
GPM / Gross Profit Margin (%)	3.84	13.19
NPM / Net Profit Ratio (%) *	(22.51)	(3.58)
EPS / Earnings per share (Baht)	(0.09)	(0.02)
ROA / Return on Assets (%)	(7.68)	(3.43)
ROE / Return on Equity (%)	(12.25)	(4.75)
Current Ratio (times)	0.76	0.98
D/E Ratio / Debt to Equity Ratio (times)	0.68	0.50
BVPS / Book Value per Share (Baht)	1.63	1.85

* Ratio of net profit to total revenue of the Company.

Liquidity and Capital Resources

Cash Flow Statement (Million Baht)	9M/2026	9M/2025	% change
Cash flows from operating activities			
Net cash flow from operating activities	15.3	23.8	(35.7%)
Cash flows from investing activities			
Net cash from (used in) investing activities	(140.8)	(154.1)	(8.6%)
Cash flows from financing activities			
Net cash from (used in) financing activities	67.3	154.3	(56.4%)
Cash and cash equivalents net increase (decrease)	**(58.2)**	**23.9**	**(343.5%)**
Cash and cash equivalents at beginning of period	93.5	77.5	20.6%
Cash and cash equivalents at end of period	**35.3**	**101.4**	**(65.2%)**

As of September 30, 2026, the Company had net cash and cash equivalents remaining of 35.3 million baht. Net cash from operating activities amounted to 15.3 million baht. Net cash used in investing activities amounted to 140.8 million baht, for capital expenditures on assets such as machinery, tools, hardware, software, and electric forklifts totaling 157.6 million baht, offset by cash received from asset sales of 16.8 million baht. Net cash from financing activities amounted to 67.3 million baht, derived from cash received from short-term loans and bank overdrafts from financial institutions of 76.6 million baht, cash received from long-term loans from financial institutions of 56.0 million baht, offset by repayments of financial institution loans and lease liabilities along with contractual interest of 65.3 million baht.