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88(THAILAND) PUBLIC COMPANY LIMITED
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Subject Management's Discussion and Analysis (MD&A) for the third quarter and nine-month period ended September 30, 2026

Attention The President
Stock Exchange of Thailand

88(Thailand) Public Company Limited and its subsidiary (the "Company") would like to clarify its consolidated operating results for the third quarter and nine-month period ended September 30, 2026, with details as follows:

**(1) Business Overview, Economic Conditions, and Industry Trends Affecting Operations**

**(1.1) Business Overview**

The Company focuses on conducting its business while pursuing business expansion opportunities and developing new sources of revenue. Key priorities include product development, enhancing operational efficiency, and expanding distribution channels to reach a broader consumer base. For its core Health and Beauty business, the Company continues to focus on developing both existing and new products, expanding sales channels, and strengthening brand awareness, while maintaining effective cost and expense management. Meanwhile, the cosmetics contract manufacturing and product development business (OEM) focuses on retaining existing customers, expanding its customer base, and enhancing product quality and manufacturing standards to support business growth.

In addition, the Company has been preparing for business expansion into the pet product segment, with an emphasis on product research and development, obtaining the necessary licenses and complying with relevant regulatory requirements, as well as developing marketing plans and distribution channels to support its commercial market entry. These initiatives reflect the Group's business expansion strategy, which aims to diversify its product portfolio, create additional revenue opportunities, and strengthen its competitiveness, thereby supporting sustainable long-term growth.

**(1.2) Operating Environment Affecting the Company's Operations**

The Company's overall business operations are influenced by economic conditions and cautious consumer spending. At the same time, consumers are placing greater emphasis on product quality, value for money, and product safety. These factors have driven the Company to adjust its product development, marketing, and distribution strategies in response to changing consumer behaviors, as detailed below.

Health and Beauty business is influenced by rapidly changing consumer preferences and emerging trends in new products. Accordingly, the Company focuses on developing products that meet market demand, while strengthening brand awareness through online channels, Social Commerce, and Live Commerce.

Pet Products Business is supported by the growing trend of pet humanization, whereby pets are increasingly regarded as family members. This trend has contributed to rising demand for quality pet food and pet care products that address pets' health and well-being. In response, the Company is focusing on preparing its products, obtaining the necessary licenses, meeting relevant standards, and establishing distribution channels to support its entry into the commercial market.

OEM business under customers' own brands is influenced by increasing demand for a wider variety of products incorporating innovative features. Accordingly, the Company places importance on product research and development, formulation development, quality control, and enhancing its manufacturing capabilities to meet customer requirements and strengthen confidence in its product quality and manufacturing standards.

**(1.3) Industry Competitive Landscape**

The industries in which the Company operates remain highly competitive across various aspects, including pricing, product quality, innovation, brand development, and distribution channels. The competitive landscape of each business segment can be summarized as follows:

Cosmetics and Skincare Industry faces competition from both domestic and international brands, particularly in product segments emphasizing innovation, specialized ingredients, and value for money. Furthermore, the growth of online sales channels and the Fast Beauty trend have shortened product life cycles and consumer preference cycles. As a result, operators are required to continuously develop new products and promptly adapt their marketing strategies to changing market trends.

Pet Food and Pet Products Industry is expected to benefit from growing demand among pet owners who increasingly prioritize product quality, nutrition, and pet health and well-being. However, the market remains competitive, with established domestic and international manufacturers and brands, particularly in the premium pet food segment. This presents opportunities for the Company to differentiate its products through quality, innovation, and product positioning tailored to different consumer segments.

OEM industry under customers' own brands faces competition in terms of pricing, product quality, manufacturing standards, formulation development lead times, and the ability to manufacture products that meet the specific requirements of individual brands. Operators are therefore required to possess strong research and development capabilities, together with effective quality control systems, in order to retain existing customers and increase opportunities to secure orders from new brands. Overall, the competitive landscape indicates that all three business segments need to focus on product differentiation, cost management, and distribution channel development in order to maintain their competitiveness and support sustainable business growth.

**(2) Summary of Significant Events and Developments**

The Company continues to expand its business and develop its products, with a focus on diversifying its product portfolio, expanding distribution channels, and pursuing new business opportunities to support long-term revenue growth. The Company continues to develop products under its key brands, namely LYO, HONE and ver.88, while preparing for the commencement of its pet products business. Preparations include obtaining the necessary licenses, complying with relevant regulatory requirements, and conducting product research and development to support its entry into the commercial market. The Company plans to distribute its pet products through e-commerce platforms, pet food retailers, and Modern Trade channels in the fourth quarter of 2026. This new business represents part of the Group's business expansion strategy, aimed at establishing additional revenue streams and supporting the Group's long-term growth. In addition, the Company continues to develop its OEM business under customers' own brands, leveraging its expertise in product formulation research and development and manufacturing quality control to meet the requirements of customers and various brands, as well as to support product development under the Group's own brands. The Company places emphasis on enhancing manufacturing efficiency and maintaining product quality standards to strengthen its competitiveness and create future business opportunities.

**(3) Summary of Operating Results**

**The consolidated operating results for the third quarter of 2026 are as follows:**

**Consolidated Operating Results**

| Description | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Revenue from sales and services | 167.56 | 100.00 | 190.23 | 100.00 | 22.67 | 13.53 |
| Cost of sales and services | 52.07 | 31.08 | 62.27 | 32.73 | 10.20 | 19.59 |
| **Gross Profit** | **115.49** | **68.92** | **127.96** | **67.27** | **12.47** | **10.80** |
| Other income | 0.13 | 0.07 | 0.06 | 0.03 | (0.07) | (52.00) |
| Selling and distribution expenses | 66.83 | 39.88 | 86.61 | 45.53 | 19.78 | 29.60 |
| Administrative expenses | 16.92 | 10.10 | 18.58 | 9.77 | 1.66 | 9.81 |
| **Operating Profit** | **31.87** | **19.01** | **22.83** | **12.00** | **(9.04)** | **(28.35)** |
| Financial Cost | (0.14) | (0.08) | (0.07) | (0.04) | 0.07 | (50.00) |
| **Profit before income tax expenses** | **31.73** | **18.93** | **22.76** | **11.96** | **(8.97)** | **(28.26)** |
| Income tax expenses | (6.37) | (3.80) | (4.59) | (2.41) | 1.78 | (27.94) |
| **Profit for the period** | **25.36** | **15.13** | **18.17** | **9.55** | **(7.19)** | **(28.34)** |

**Revenue from sales and services**

The Company's Revenue Structure from Sales and Services is classified into 2 main categories, as follows:

(1) Revenue from Sales and Services by Product Group

| Revenue from sales and services is categorized by product categories | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| **1. Hair Care Products** | **150.35** | **89.73** | **156.51** | **82.27** | **6.16** | **4.10** |
| 1.1 LYO Anti-Hair Loss | 60.92 | 36.36 | 44.43 | 23.36 | (16.49) | (27.07) |
| 1.2 LYO Hair Color | 50.58 | 30.19 | 44.50 | 23.39 | (6.08) | (12.02) |
| 1.3 LYO Herbal | 38.85 | 23.19 | 23.68 | 12.45 | (15.17) | (39.05) |
| 1.4 LYO My Color | - | - | 4.23 | 2.22 | 4.23 | 100.00 |
| 1.5 LYO Hair Oil | - | - | 2.02 | 1.06 | 2.02 | 100.00 |
| 1.6 LYO Silver | - | - | 37.65 | 19.79 | 37.65 | 100.00 |
| **2. Skincare Products** | **8.22** | **4.91** | **11.92** | **6.27** | **3.70** | **45.01** |
| **3. Cosmetics Products** | **0.86** | **0.51** | **0.66** | **0.35** | **(0.20)** | **(23.26)** |
| **4. Other sales and service revenue** | **8.13** | **4.86** | **21.14** | **11.11** | **13.01** | **160.02** |
| **Total Revenue from sales and services** | **167.56** | **100.00** | **190.23** | **100.00** | **22.67** | **13.53** |

(2) Revenue from Sales and Services by Distribution Channel

| Revenue from sales and services is categorized by distribution channel | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| **1. Agent** | **59.19** | **35.32** | **35.96** | **18.90** | **(23.23)** | **(39.25)** |
| **2. Modern Trade and Home Shopping** | **50.09** | **29.89** | **57.63** | **30.29** | **7.54** | **15.05** |
| 2.1 Modern Trade | 44.19 | 26.37 | 42.35 | 22.26 | (1.84) | (4.16) |
| 2.2 Home Shopping | 5.90 | 3.52 | 15.28 | 8.03 | 9.38 | 158.98 |
| **3. Online** | **50.59** | **30.19** | **75.72** | **39.80** | **25.13** | **49.67** |
| **4. OEM** | **7.69** | **4.59** | **20.92** | **11.00** | **13.23** | **172.04** |
| **Total Revenue from sales and services** | **167.56** | **100.00** | **190.23** | **100.00** | **22.67** | **13.53** |

The Company's revenue from sales and services amounted to THB 190.23 million, an increase of THB 22.67 million, or 13.53%, compared to the same period of the previous year. The increase in revenue from sales and services was primarily attributable to the following factors:

- Revenue from hair care products increased by THB 6.16 million, or 4.10%, compared to the same period of the previous year.
    - The increase was primarily driven by revenue from LYO Silver, a grey hair coverage cream, which increased by THB 37.65 million, or 100.00%, compared to the same period of the previous year. This product was newly launched in the second quarter of 2026 and was developed to address consumer needs and usage preferences. In addition, revenue from newly launched products, namely LYO My Color hair color products and LYO Hair Oil, increased by THB 4.23 million and THB 2.02 million, respectively, representing an increase of 100.00% compared to the same period of the previous year.

- Meanwhile, revenue from LYO Anti-Hair Loss products decreased by THB 16.49 million, or 27.07%; LYO Hair Color grey hair coverage shampoo decreased by THB 6.08 million, or 12.02%; and LYO Herbal hair care products containing herbal extracts decreased by THB 15.17 million, or 39.05%, compared to the same period of the previous year. These declines were primarily attributable to intensifying competition in the hair and scalp care market, which has provided consumers with a wider range of product choices.

- Revenue from sales through agents decreased by THB 23.23 million, or 39.25% and Revenue from sales through modern trade retailers decreased by THB 1.84 million, or 4.16%, compared to the same period of the previous year. These decreases were partly attributable to changing consumer purchasing behavior, with more consumers shifting towards online shopping channels.
- Revenue from sales through the Home Shopping channel increased by THB 9.38 million, or 158.98%, compared to the same period of the previous year, reflecting continued positive consumer response to the Company's products.
- Revenue from online sales increased by THB 25.13 million, or 49.67%, compared to the same period of the previous year. This growth was in line with the Company's sales strategy, which places greater emphasis on online distribution channels, given their strong growth potential.
- Revenue from OEM services increased by THB 13.23 million, or 172.04%, compared to the same period of the previous year. This increase was primarily driven by higher orders from existing customers, reflecting their continued confidence in the quality of products and manufacturing standards of the Company's subsidiary, which provides contract manufacturing services under customers' own brands.

**Cost of sales and services and gross profit**

| Cost of sales and services | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| 1. Cost of Goods Sold | 48.16 | 92.49 | 56.26 | 90.35 | 8.10 | 16.82 |
| 2. Cost of OEM | 3.91 | 7.51 | 6.01 | 9.65 | 2.10 | 53.71 |
| **Total Cost of sales and services** | **52.07** | **100.00** | **62.27** | **100.00** | **10.20** | **19.59** |

| Description | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Revenue from sales and services | 167.56 | 100.00 | 190.23 | 100.00 | 22.67 | 13.53 |
| Cost of sales and services | 52.07 | 31.08 | 62.27 | 32.73 | 10.20 | 19.59 |
| **Gross Profit** | **115.49** | **68.92** | **127.96** | **67.27** | **12.47** | **10.80** |

The Company's cost of sales and services amounted to THB 62.27 million, an increase of THB 10.20 million, or 19.59%, compared to the same period of the previous year. This increase was consistent with the growth in revenue from sales and services.

However, the gross profit margin decreased from 68.92% in the third quarter of 2025 to 67.27% in the third quarter of 2026. The decrease was primarily attributable to an increase in sales promotion activities, discounts, and marketing campaigns through online channels, which resulted in a lower gross profit margin compared to the same period of the previous year.

**Selling and Distribution expenses**

| Selling and distribution expenses | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Marketing expenses | 50.45 | 75.49 | 59.98 | 69.25 | 9.53 | 18.89 |
| Salaries and other employee benefits | 5.03 | 7.53 | 6.16 | 7.11 | 1.13 | 22.47 |
| Shipping Expenses | 2.04 | 3.05 | 1.46 | 1.69 | (0.58) | (28.43) |
| Online Platform fees | 9.31 | 13.93 | 19.00 | 21.94 | 9.69 | 104.08 |
| Other Selling Expenses | - | 0.00 | 0.01 | 0.01 | 0.01 | 100.00 |
| **Total selling and distribution expenses** | **66.83** | **100.00** | **86.61** | **100.00** | **19.78** | **29.60** |
| ***% to Total Revenue*** | | ***39.88*** | | ***45.53*** | | |

The Company's selling and distribution expenses amounted to THB 86.61 million, representing 45.53% of revenue from sales and services. These expenses increased by THB 19.78 million, or 29.60%, compared to the same period of the previous year. The increase was primarily attributable to the following factors:

- Marketing expenses increased due to expenses for public relations activities through influencers and Out-of-Home (OOH) advertising media, which were associated with product sales. These expenses were in line with the Company's marketing plans to enhance product awareness among consumers.
- Expenses for advertising through online platforms and social media, as well as online platform service fees, increased. This was partly due to higher platform fees resulting from changes in the policies and terms and conditions of platform service providers. The increase was also consistent with the growth in revenue from online distribution channels.
- Salaries and employee benefits for sales and marketing personnel increased as a result of the annual salary adjustments.

**Administrative expenses**

| Administrative expenses | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the three-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Salaries and other employee benefits | 12.20 | 72.09 | 9.28 | 49.96 | (2.92) | (23.93) |
| Office expenses | 1.18 | 6.97 | 3.27 | 17.60 | 2.09 | 177.12 |
| Professional fees | 1.98 | 11.70 | 3.96 | 21.31 | 1.98 | 100.00 |
| Depreciation and amortization | 0.99 | 5.85 | 1.66 | 8.93 | 0.67 | 67.68 |
| Other administrative expenses | 0.57 | 3.37 | 0.41 | 2.21 | (0.16) | (28.07) |
| **Total Administrative expenses** | **16.92** | **100.00** | **18.58** | **100.00** | **1.66** | **9.81** |
| ***% to Total Revenue*** | | ***10.10*** | | ***9.77*** | | |

The Company's administrative expenses amounted to THB 18.58 million, representing 9.77% of revenue from sales and services. These expenses increased by THB 1.66 million, or 9.81%, compared to the same period of the previous year.

The increase was primarily attributable to expenses incurred from the operations of the newly established subsidiary, including fees for specialized consultants providing product research and development services, product registration expenses, marketing and public relations expenses, as well as rental expenses for new office premises and warehouse facilities to support business operations.

Meanwhile, salaries and other employee benefits for administrative personnel decreased compared to the same period of the previous year. This was primarily attributable to personnel cost management and adjustments to the Company's internal operational structure to improve organizational efficiency and ensure a more appropriate allocation of resources.

**Net Profit**

The Company reported a net profit of THB 18.17 million, a decrease of THB 7.19 million, or 28.34%, compared to the same period of the previous year. The decrease was primarily attributable to higher selling and distribution expenses, particularly increased marketing expenditures aimed at enhancing product awareness among consumers, as well as higher service fees charged by online platforms.

Furthermore, the Company incurred expenses related to licensing and product registration, as well as product research and development expenses for its newly established subsidiary, which is expected to commence revenue recognition in the fourth quarter of 2026.

These factors contributed to a decrease in the Company's net profit margin from 15.13% in the third quarter of 2025 to 9.55% in the third quarter of 2026.

**The consolidated operating results for the nine-month period ended September, 30 2026 are as follows:**

**Consolidated Operating Results**

| Description | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Revenue from sales and services | 474.36 | 100.00 | 506.65 | 100.00 | 32.29 | 6.81 |
| Cost of sales and services | 152.45 | 32.14 | 165.47 | 32.66 | 13.02 | 8.54 |
| **Gross Profit** | **321.91** | **67.86** | **341.18** | **67.34** | **19.27** | **5.99** |
| Other income | 0.74 | 0.16 | 0.52 | 0.10 | (0.22) | (29.73) |
| Selling and distribution expenses | 177.04 | 37.32 | 219.35 | 43.29 | 42.31 | 23.90 |
| Administrative expenses | 49.99 | 10.54 | 55.35 | 10.92 | 5.36 | 10.72 |
| **Operating Profit** | **95.62** | **20.16** | **67.00** | **35.22** | **(28.62)** | **(29.93)** |
| Financial Cost | (0.34) | (0.07) | (0.26) | (0.05) | 0.08 | (23.53) |
| **Profit before income tax expenses** | **95.28** | **20.09** | **66.74** | **35.08** | **(28.54)** | **(29.95)** |
| Income tax expenses | (19.47) | (4.10) | (13.51) | (2.67) | 5.96 | (30.61) |
| **Profit for the period** | **75.81** | **15.98** | **53.23** | **10.51** | **(22.58)** | **(29.78)** |

**Revenue from sales and services**

The Company's Revenue Structure from Sales and Services is classified into 2 main categories, as follows:

(1) Revenue from Sales and Services by Product Group

| Revenue from sales and services is categorized by product categories | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| **1. Hair Care Products** | **428.01** | **90.23** | **420.74** | **83.04** | **(7.27)** | **(1.70)** |
| 1.1 LYO Anti-Hair Loss | 157.88 | 33.28 | 145.28 | 28.67 | (12.60) | (7.98) |
| 1.2 LYO Hair Color | 154.44 | 32.56 | 139.84 | 27.60 | (14.60) | (9.45) |
| 1.3 LYO Herbal | 115.69 | 24.39 | 74.17 | 14.64 | (41.52) | (35.89) |
| 1.4 LYO My Color | - | - | 15.39 | 3.04 | 15.39 | 100.00 |
| 1.5 LYO Hair Oil | - | - | 3.04 | 0.60 | 3.04 | 100.00 |
| 1.6 LYO Silver | - | - | 43.02 | 8.49 | 43.02 | 100.00 |
| **2. Skincare Products** | **27.70** | **5.84** | **32.12** | **6.34** | **4.42** | **15.96** |
| **3. Cosmetics Products** | **6.00** | **1.26** | **2.15** | **0.42** | **(3.85)** | **(64.17)** |
| **4. Other sales and service revenue** | **12.65** | **2.67** | **51.64** | **10.19** | **38.99** | **308.22** |
| **Total Revenue from sales and services** | **474.36** | **100.00** | **506.65** | **100.00** | **32.29** | **6.81** |

(2) Revenue from Sales and Services by Distribution Channel

| Revenue from sales and services is categorized by distribution channel | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| **1. Agent** | **193.13** | **40.71** | **110.86** | **21.88** | **(82.27)** | **(42.60)** |
| **2. Modern Trade and Home Shopping** | **152.84** | **32.22** | **177.78** | **35.09** | **24.94** | **16.32** |
| 2.1 Modern Trade | 136.21 | 28.71 | 141.84 | 28.00 | 5.63 | 4.13 |
| 2.2 Home Shopping | 16.63 | 3.51 | 35.94 | 7.09 | 19.31 | 116.12 |
| **3. Online** | **117.87** | **24.85** | **167.37** | **33.03** | **49.50** | **42.00** |
| **4. OEM** | **10.52** | **2.22** | **50.64** | **10.00** | **40.12** | **381.37** |
| **Total Revenue from sales and services** | **474.36** | **100.00** | **506.65** | **100.00** | **32.29** | **6.81** |

The Company's revenue from sales and services amounted to THB 506.65 million, an increase of THB 32.29 million, or 6.81%, compared to the same period of the previous year. The increase in revenue from sales and services was primarily attributable to the following factors:

- Revenue from hair care products decreased by THB 7.27 million, or 1.70%, compared to the same period of the previous year.
    - The decrease was primarily attributable to lower revenue from certain existing products. Meanwhile, revenue from LYO Silver, a grey hair coverage cream, increased by THB 43.02 million, or 100.00%, compared to the same period of the previous year. This product was newly launched in the second quarter of 2026 and was developed to address consumer needs and usage preferences. In addition, revenue from newly launched products, namely LYO My Color hair color products and LYO Hair Oil, increased by THB 15.39 million and THB 3.04 million, respectively, representing an increase of 100.00% compared to the same period of the previous year.
    - In contrast, revenue from LYO Anti-Hair Loss products decreased by THB 12.60 million, or 7.98%; LYO Hair Color grey hair coverage shampoo decreased by THB 14.60 million, or 9.45%; and LYO Herbal hair care products containing herbal extracts decreased by THB 41.52 million, or 35.89%, compared to the same period of the previous year. These declines were primarily attributable to intensifying competition in the hair and scalp care market, providing consumers with a wider range of product choices.
- Revenue from sales through agents decreased by THB 82.27 million, or 42.60%, compared to the same period of the previous year. This decrease was partly attributable to changing consumer purchasing behavior, with more consumers shifting towards online shopping channels.
- Revenue from sales through modern trade retailers increased by THB 5.63 million, or 4.13% and Revenue from sales through the Home Shopping channel increased by THB 19.31 million, or 116.12%, compared to the same period of the previous year. These increases reflected continued positive consumer response to the Company's products.

- Revenue from online sales increased by THB 49.50 million, or 42.00%, compared to the same period of the previous year. This growth was in line with the Company's sales strategy, which places greater emphasis on online distribution channels, given their strong growth potential.
- Revenue from OEM services increased by THB 40.12 million, or 381.37%, compared to the same period of the previous year. This increase was primarily driven by higher orders from existing customers, reflecting their continued confidence in the quality of products and manufacturing standards of the Company's subsidiary, which provides contract manufacturing services under customers' own brands.

**Cost of sales and services and gross profit**

| Cost of sales and services | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| 1. Cost of Goods Sold | 147.08 | 96.48 | 143.55 | 86.75 | (3.53) | (2.40) |
| 2. Cost of OEM | 5.37 | 3.52 | 21.92 | 13.25 | 16.55 | 308.19 |
| **Total Cost of sales and services** | **152.45** | **100.00** | **165.47** | **100.00** | **13.02** | **8.54** |

| Description | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Revenue from sales and services | 474.36 | 100.00 | 506.65 | 100.00 | 32.29 | 6.81 |
| Cost of sales and services | 152.45 | 32.14 | 165.47 | 32.66 | 13.02 | 8.54 |
| **Gross Profit** | **321.91** | **67.86** | **341.18** | **67.34** | **19.27** | **5.99** |

The Company's cost of sales and services amounted to THB 165.47 million, an increase of THB 13.02 million, or 8.54%, compared to the same period of the previous year. This increase was consistent with the growth in revenue from sales and services.

However, the gross profit margin decreased from 67.86% for the nine-month period of 2025 to 67.34% for the nine-month period of 2026. The decrease was primarily attributable to increased sales promotion activities, discounts, and marketing campaigns through online channels, which resulted in a lower gross profit margin compared to the same period of the previous year.

**Selling and Distribution expenses**

| Selling and distribution expenses | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Marketing expenses | 135.87 | 76.75 | 157.29 | 71.71 | 21.42 | 15.77 |
| Salaries and other employee benefits | 15.00 | 8.47 | 18.12 | 8.26 | 3.12 | 20.80 |
| Shipping Expenses | 6.31 | 3.56 | 4.28 | 1.95 | (2.03) | (32.17) |
| Online Platform fees | 19.85 | 11.21 | 39.65 | 18.07 | 19.80 | 99.75 |
| Other Selling Expenses | 0.01 | 0.01 | 0.01 | 0.01 | - | - |
| **Total selling and distribution expenses** | **177.04** | **100.00** | **219.35** | **100.00** | **42.31** | **23.90** |
| ***% to Total Revenue*** | | ***37.32*** | | ***43.29*** | | |

The Company's selling and distribution expenses amounted to THB 219.35 million, representing 43.29% of revenue from sales and services. These expenses increased by THB 42.31 million, or 23.90%, compared to the same period of the previous year. The increase was primarily attributable to the following factors:

- Marketing expenses increased due to public relations activities through influencers and the production of Out-of-Home (OOH) advertising media associated with product sales. These expenses were in line with the Company's marketing plans to enhance product awareness among consumers.
- Expenses for advertising through online platforms and social media, as well as online platform service fees, increased due to higher platform fees resulting from changes in the policies and terms and conditions of platform service providers. This increase was consistent with the growth in revenue from online distribution channels.
- Salaries and employee benefits for sales and marketing personnel increased as a result of annual salary adjustments.

**Administrative expenses**

| Administrative expenses | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | For the nine-month period ended September, 30 | | | | | |
| | 2025 | | 2026 | | Changed | |
| | MB. | % | MB. | % | MB. | % |
| Salaries and other employee benefits | 32.03 | 64.07 | 29.83 | 53.89 | (2.20) | (6.87) |
| Office expenses | 5.62 | 11.24 | 7.97 | 14.40 | 2.35 | 41.81 |
| Professional fees | 7.29 | 14.58 | 10.86 | 19.62 | 3.57 | 48.97 |
| Depreciation and amortization | 3.44 | 6.88 | 3.97 | 7.17 | 0.53 | 15.41 |
| Other administrative expenses | 1.61 | 3.22 | 2.72 | 4.91 | 1.11 | 68.94 |
| **Total Administrative expenses** | **49.99** | **100.00** | **55.35** | **100.00** | **5.36** | **10.72** |
| ***% to Total Revenue*** | | ***10.54*** | | ***10.92*** | | |

The Company's administrative expenses amounted to THB 55.35 million, representing 10.92% of revenue from sales and services. These expenses increased by THB 5.36 million, or 10.72%, compared to the same period of the previous year.

The increase was primarily attributable to expenses incurred from the operations of the newly established subsidiary, including fees for specialized consultants providing product research and development services, product registration expenses, marketing and public relations expenses, as well as rental expenses for new office premises and warehouse facilities to support business operations.

However, salaries and other employee benefits for administrative personnel decreased compared to the same period of the previous year. This was primarily attributable to personnel cost management and adjustments to the Company's internal operational structure to improve organizational efficiency and ensure a more appropriate allocation of resources.

**Net Profit**

The Company reported a net profit of THB 53.23 million, a decrease of THB 22.58 million, or 29.78%, compared to the same period of the previous year. The decrease was primarily attributable to higher selling and distribution expenses, particularly increased marketing expenditures aimed at enhancing product awareness among consumers, as well as higher service fees charged by online platforms.

Furthermore, the Company incurred expenses related to licensing and product registration, as well as product research and development expenses for its newly established subsidiary, which is expected to commence revenue recognition in the fourth quarter of 2026.

These factors contributed to a decrease in the Company's net profit margin from 15.98% for the nine-month period of 2025 to 10.51% for the nine-month period of 2026.

**(4) Summary of Financial Position**

**Financial Position**

| Financial position | December 31, 2025 | | September 30, 2026 | | Changed | |
|---|---|---|---|---|---|---|
| | MB. | % | MB. | % | MB. | % |
| Total assets | 555.44 | 100.00 | 595.87 | 100.00 | 40.43 | 7.28 |
| Total liabilities | 68.81 | 12.39 | 95.31 | 16.00 | 26.51 | 38.52 |
| Total Shareholders' equity | 486.64 | 87.61 | 500.56 | 84.00 | 13.92 | 2.86 |

**Asset**

The Company's principal assets comprise cash and cash equivalents, trade and other current receivables, inventories, advances for goods and services, and property, plant and equipment. As of September 30, 2026, at the end of the nine-month reporting period, the Company's total assets amounted to THB 595.87 million, with the principal asset components summarized as follows:

1. Cash and cash equivalents amounted to THB 325.74 million, representing 54.67% of total assets.
2. Trade and other current receivables amounted to THB 85.18 million, representing 14.30% of total assets.
3. Inventories amounted to THB 84.92 million, representing 14.25% of total assets.

4. Advances for goods and services amounted to THB 28.77 million, representing 4.83% of total assets.
5. Property, plant and equipment amounted to THB 27.51 million, representing 4.62% of total assets.

**Liabilities**

The Company's principal liabilities comprise trade and other current payables, the current portion of lease liabilities due within one year, corporate income tax payable, and non-current provisions for employee benefits. As of September 30, 2026, at the end of the nine-month reporting period, the Company's total liabilities amounted to THB 95.31 million, representing 16.00% of total liabilities and shareholders' equity. The principal components of liabilities were as follows:

1. Trade and other current payables amounted to THB 62.44 million, representing 10.48% of total liabilities and shareholders' equity.
2. Lease liabilities amounted to THB 19.10 million, representing 3.21% of total liabilities and shareholders' equity.
3. Corporate income tax payable amounted to THB 6.37 million, representing 1.07% of total liabilities and shareholders' equity.
4. Non-current provisions for employee benefits amounted to THB 4.35 million, representing 0.73% of total liabilities and shareholders' equity.

**Shareholders' Equity**

As of September 30, 2026, the Company's total shareholders' equity amounted to THB 500.56 million, representing 84.00% of total liabilities and shareholders' equity. The principal components of shareholders' equity were as follows:

1. Issued and paid-up share capital amounted to THB 212.50 million, representing 35.66% of total liabilities and shareholders' equity.
2. Share premium on ordinary shares amounted to THB 183.23 million, representing 30.75% of total liabilities and shareholders' equity.
3. Retained earnings – appropriated for legal reserve amounted to THB 12.98 million, representing 2.18% of total liabilities and shareholders' equity.
4. Retained earnings – unappropriated amounted to THB 91.85 million, representing 15.41% of total liabilities and shareholders' equity.

**Key Financial ratio**

| Key financial ratio | Unit | December 31, 2025 | September 30, 2026 |
|---|---|---|---|
| Current ratio | Times | 8.21 | 6.76 |
| Debt-to-equity ratio (D/E) | Times | 0.14 | 0.19 |
| Return on assets (ROA) | Percent | 30.38 | 17.30 |
| Return on equity (ROE) | Percent | 28.54 | 16.31 |

**Current Ratio**

As of September 30, 2026, the Company's current ratio stood at 6.76 times, decreasing from 8.21 times as of December 31, 2025. The decrease was primarily attributable to an increase of THB 14.74 million in trade and other payables compared to December 31, 2025, resulting from advance purchases of raw materials and packaging materials in line with the Company's production plan, as well as purchases of finished goods for the Company's new products.

**Debt to Equity ratio (D/E Ratio)**

As of September 30, 2026, the Company's debt-to-equity ratio (D/E Ratio) stood at 0.19 times, increasing from 0.14 times as of December 31, 2025. The increase was primarily attributable to a THB 26.51 million rise in total liabilities, resulting from advance purchases of raw materials and packaging materials in line with the Company's production plan, as well as purchases of finished goods to support the distribution of the Company's new products.

**Return on assets (ROA)**

As of September 30, 2026, the Company's return on assets (ROA) stood at 17.30%, decreasing from 30.38% as of December 31, 2025. The decrease was primarily attributable to a decline in earnings before finance costs and income tax (annualized based on the current quarter's results and the preceding three quarters), coupled with an increase in average total assets as of September 30, 2026, compared to December 31, 2025. The increase in average total assets was mainly driven by higher inventories and advances for goods and services, which primarily comprised advance payments for the production of new products.

**Return on equity (ROE)**

As of September 30, 2026, the Company's return on equity (ROE) stood at 16.31%, decreasing from 28.54% as of December 31, 2025. The decrease was primarily attributable to a decline in net profit (annualized based on the current quarter's results and the preceding three quarters), while average shareholders' equity also decreased compared to December 31, 2025, mainly as a result of the annual dividend payment to shareholders.

**Cash cycle**

| Cash cycle | Unit | December 31, 2025 | September 30, 2026 |
|---|---|---|---|
| Average Collection Period | Days | 42.00 | 41.00 |
| Average Inventory Period | Days | 120.00 | 130.00 |
| Average Payment Period | Days | 29.00 | 28.00 |
| Cash cycle | Days | 133.00 | 143.00 |

As of September 30, 2026, the Company's cash conversion cycle stood at 143 days, increasing by 10 days compared to December 31, 2025. The increase was primarily attributable to a longer average inventory holding period for finished goods.

**(5) Factors That May Affect Future Operations or Growth**

The Company's operating performance and growth may be affected by both internal and external factors, particularly its ability to appropriately allocate capital and resources to support both existing and new business operations, manage cash flows and working capital to accommodate business expansion, and ensure personnel readiness and operational continuity in collaboration with business partners. In addition, economic conditions, fluctuations in raw material prices and foreign exchange rates, as well as changes in market conditions and consumer behavior, may affect the Group's revenue and costs. The Group's ability to execute its business plans, develop products, and expand distribution channels in response to market conditions will be key factors in achieving continued and sustainable long-term growth.

Yours Sincerely,

**88(Thailand) Public Company Limited**

-Miss Wiraya Panpiboon-

Chief Financial Officer