No. FI202608-01

11 Aug, 2026

Subject: Management's Discussion and Analysis (MD&A) for Q2/2026

To: President of the Stock Exchange of Thailand

Sappe Public Company Limited (the "Company") would like to provide the following clarification regarding the Company's operating results for the quarter ended June 30, 2026, with the following details.

(Unit: Thousand Baht)

Profit & Loss statement	Q2/2026	%	Q2/2025	%	Q1/2026	%	YoY%	QoQ%	H1/2026	%	H1/2025	%	YoY%
Total Revenue	**1,538,483**	**102.6%**	**1,581,888**	**102.2%**	**1,318,850**	**102.1%**	**-2.7%**	**16.7%**	**2,857,333**	**102.3%**	**2,765,143**	**102.8%**	**3.3%**
Revenue from selling goods	1,499,625	100.0%	1,547,861	100.0%	1,292,130	100.0%	-3.1%	16.1%	2,791,755	100.0%	2,690,282	100.0%	3.8%
Net gain from foreign exchange	4,344	0.3%	2,371	0.2%	2,249	0.2%	83.3%	93.2%	6,593	0.2%	6,702	0.2%	-1.6%
Others income	34,514	2.3%	31,656	2.0%	24,470	1.9%	9.0%	41.0%	58,985	2.1%	68,159	2.5%	-13.5%
Cost of goods sold	**837,177**	**55.8%**	**862,278**	**55.7%**	**701,366**	**54.3%**	**-2.9%**	**19.4%**	**1,538,543**	**55.1%**	**1,479,110**	**55.0%**	**4.0%**
Gross profit	**662,448**	**44.2%**	**685,583**	**44.3%**	**590,765**	**45.7%**	**-3.4%**	**12.1%**	**1,253,212**	**44.9%**	**1,211,172**	**45.0%**	**3.5%**
SG&A	**465,482**	**31.0%**	**422,158**	**27.3%**	**381,819**	**29.5%**	**10.3%**	**21.9%**	**847,301**	**30.4%**	**710,969**	**26.4%**	**19.2%**
Selling expenses	330,300	22.0%	298,666	19.3%	280,098	21.7%	10.6%	17.9%	610,398	21.9%	482,849	17.9%	26.4%
Administrative expenses	135,182	9.0%	123,492	8.0%	101,721	7.9%	9.5%	32.9%	236,903	8.5%	228,120	8.5%	3.9%
EBIT	**235,824**	**15.7%**	**297,452**	**19.2%**	**235,665**	**18.2%**	**-20.7%**	**0.1%**	**471,489**	**16.9%**	**575,064**	**21.4%**	**-18.0%**
Finance costs	(615)	0.0%	(398)	0.0%	(527)	0.0%	n.a.	n.a.	(1,142)	0.0%	(838)	0.0%	n.a.
Reversal of impairment loss (TFRS 9)	(234)	0.0%	2,338	0.2%	(1,023)	-0.1%	n.a.	n.a.	(1,257)	0.0%	696	0.0%	n.a.
Share of profit (loss) of associates and joint venture	1,514	0.1%	1,000	0.1%	351	0.0%	n.a.	n.a.	1,865	0.1%	1,394	0.1%	n.a.
EBT	**236,489**	**15.8%**	**300,392**	**19.4%**	**234,466**	**18.1%**	**-21.3%**	**0.9%**	**470,955**	**16.9%**	**576,316**	**21.4%**	**-18.3%**
Income tax expense	40,839	2.7%	46,716	3.0%	42,388	3.3%	-12.6%	-3.7%	83,227	3.0%	94,620	3.5%	-12.0%
Net profit(loss)	**195,650**	**13.0%**	**253,676**	**16.4%**	**192,078**	**14.9%**	**-22.9%**	**1.9%**	**387,728**	**13.9%**	**481,696**	**17.9%**	**-19.5%**
Net profit(loss) of Parent Company	**188,827**	**12.6%**	**248,059**	**16.0%**	**182,879**	**14.2%**	**-23.9%**	**3.3%**	**371,706**	**13.3%**	**471,638**	**17.5%**	**-21.2%**

Overview

The operating results of Sappe Public Company Limited and its subsidiaries, based on the consolidated financial statements for the second quarter of 2026, showed total sales revenue of THB 1,538 million, representing a decrease of 2.7% year-on-year but an increase of 16.7% quarter-on-quarter. Although economic conditions remained uncertain in several countries, the Company maintained revenue at a level broadly comparable to the prior year and achieved a recovery from the previous quarter.

In the second quarter of 2026, the cost of sales accounted for 55.8% of sales revenue, remaining broadly stable year-on-year but increasing from the previous quarter. Nevertheless, the Company managed costs effectively despite higher raw material costs stemming from uncertainty in the Middle East, including increases in resin, plastic, and oil prices.

Selling and administrative expenses amounted to THB 465 million, compared with THB 422 million in the same period last year, representing an increase of 10.3%. Net profit attributable to owners of the parent for the quarter was THB 189 million, representing a net profit margin of 12.6% of sales revenue.

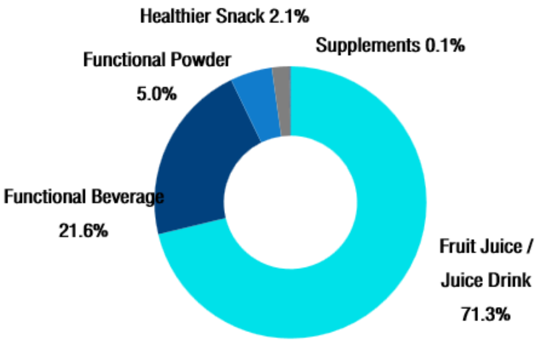
Revenue from Selling Goods

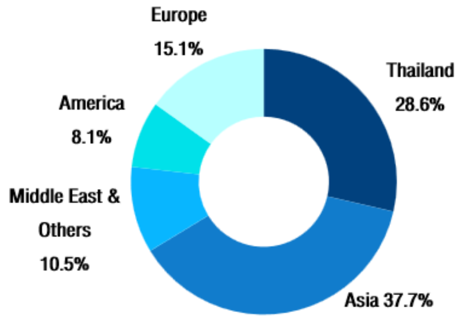
SAPPE recorded sales revenue of THB 1,500 million in the second quarter of 2026, representing a decrease of 3.1% year-on-year but an increase of 16.1% quarter-on-quarter. The quarter-on-quarter growth was mainly driven by a recovery in sales across several international markets.

International sales revenue in the second quarter of 2026 amounted to THB 1,071 million, down 3.1% year-on-year. The decline was mainly attributable to unrest in the Middle East, which resulted in lower sales in the region compared with the same period last year. Nevertheless, sales in the Americas continued to grow through the expansion of distribution channels, while the Asian market achieved growth in line with targets compared with the previous quarter.

Domestic sales revenue in the second quarter of 2026 amounted to THB 429 million, down 3.1% year-on-year. The decline was mainly due to persistently low coconut-water prices since the first quarter, which resulted in lower revenue from the All Coco business. However, other products, including B'lue, continued to deliver strong growth in the second quarter of 2026.

Revenue from Selling Goods in Q2/2026





Cost of Goods Sold

Cost of sales in second quarter of 2026 accounted for 55.8% of sales revenue, increasing slightly from the previous quarter. The increase was mainly attributable to higher raw material and packaging costs resulting from unrest in the Middle East, the Company maintained its cost-of-sales ratio at a level broadly comparable to the previous year. The Company also benefited from the depreciation of the Thai baht, higher production capacity utilization in line with seasonal trends, and ongoing cost-control efforts. Key initiatives include automation projects, production and HR planning.

Selling Expenses

SAPPE recorded a selling expense in the second quarter of 2026 of THB 330 million, representing 22.0% of sales revenue. This increased from the same period last year as the Company continued to invest in sales and marketing initiatives to support market expansion, enhance competitiveness, and strengthen its brands in key markets, in line with its long-term growth plan.

Administrative Expenses

SAPPE recorded administrative expenses of THB 135 million in the second quarter, representing 9.0% of sales revenue. This increased from the previous quarter, mainly due to additional headcounts to support the Company's business expansion and growth.

However, for the first six months of 2026, administrative expenses remained broadly in line with the same period last year, reflecting the Company's continued effectiveness in managing and controlling operating expenses.

Net Profit (Loss) – Parent Company

Net profit attributable to owners of the parent company in the second quarter of 2026 amounted to THB 189 million, representing 12.6% of sales revenue. Net profit increased by 3.3% from the previous quarter, supported by the recovery in revenue. However, it decreased by 23.9% year-on-year, as the Company continued to invest in sales and marketing to support long-term growth.

Environmental, Social and Governance (ESG)

The Company continues to drive business growth alongside sustainable development, which is a key strategy for strengthening its long-term competitiveness and resilience. The Company integrates ESG principles throughout its value chain, including the development of at least 20 new beverage innovations annually, 100% Zero Water Discharge management, the use of solar energy, packaging development based on circular economy principles, and programmes to promote the health and well-being of local communities.

In terms of governance, the Company is a certified member of the Thai Private Sector Collective Action Against Corruption (CAC) and a member of the UN Global Compact Network Thailand (GCNT). These memberships reinforce transparent, responsible business practices aligned with internationally recognised sustainability principles. The Company is currently included in the SET ESG Index, has received an SET ESG Rating of "A", and achieved a four-star Corporate Governance Report (CGR) rating for Thai listed companies.

Sincerely Yours,

Sappe Public Company Limited

Ms. Piyajit Ruckariyapong

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