



No. FI202605-01

14 May, 2026

Subject: Management's Discussion and Analysis (MD&A) for Q1/2026

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 March 31, 2026, with the following details.

(Unit: Thousand Baht)

Profit & Loss statement	Q1/2026	%	Q1/2025	%	Q4/2025	%	YoY%	QoQ%
Total Revenue	1,318,850	102.1%	1,183,255	103.6%	1,243,544	102.5%	11.5%	6.1%
Revenue from selling goods	1,292,130	100.0%	1,142,421	100.0%	1,213,699	100.0%	13.1%	6.5%
Net gain from foreign exchange	2,249	0.2%	4,331	0.4%	3,565	0.3%	-48.1%	-36.9%
Others income	24,471	1.9%	36,503	3.2%	26,280	2.2%	-33.0%	-6.9%
Cost of goods sold	701,366	54.3%	616,832	54.0%	685,235	56.5%	13.7%	2.4%
Gross profit	590,764	45.7%	525,589	46.0%	528,464	43.5%	12.4%	11.8%
SG&A	381,819	29.5%	288,811	25.3%	396,546	32.7%	32.2%	-3.7%
Selling expenses	280,098	21.7%	184,183	16.1%	246,934	20.3%	52.1%	13.4%
Administrative expenses	101,721	7.9%	104,628	9.2%	149,612	12.3%	-2.8%	-32.0%
EBIT	235,665	18.2%	277,612	24.3%	161,762	13.3%	-15.1%	45.7%
Finance costs	(527)	0.0%	(440)	0.0%	554	0.0%	n.a.	n.a.
Reversal of impairment loss (TFRS 9)	(1,023)	-0.1%	(1,642)	-0.1%	(7)	0.0%	n.a.	n.a.
Share of profit (loss) of associates and joint venture	351	0.0%	394	0.0%	298	0.0%	n.a.	n.a.
EBT	234,466	18.1%	275,924	24.2%	161,513	13.3%	-15.0%	45.2%
Income tax expense	42,388	3.3%	47,904	4.2%	32,728	2.7%	-11.5%	29.5%
Net profit(loss)	192,078	14.9%	228,020	20.0%	128,785	10.6%	-15.8%	49.1%
Net profit(loss) of Parent Company	182,879	14.2%	223,579	19.6%	121,263	10.0%	-18.2%	50.8%



Overview

The operating results of Sappe Public Company Limited and its subsidiaries, based on the consolidated financial statements for the first quarter of 2026, showed total sales revenue of THB 1,292 million, representing an increase of 13.1% compared to the same period last year and an increase of 6.5% compared to the previous quarter. The sales performance continued to show signs of recovery in both international and domestic markets.

Cost of sales in Q1 2026 accounted for 54.3% of sales revenue, remaining relatively stable compared to the same period last year and decreasing from the previous quarter after adjusting for foreign exchange impacts, as well as changes in raw material and packaging costs.

Selling and administrative expenses totaled THB 382 million, increasing from THB 289 million in the same period last year, representing an increase of 32.2%. As a result, net profit attributable to owners of the parent company for the quarter amounted to THB 183 million, equivalent to a net profit margin of 14.2% of sales revenue.

Revenue from Selling Goods

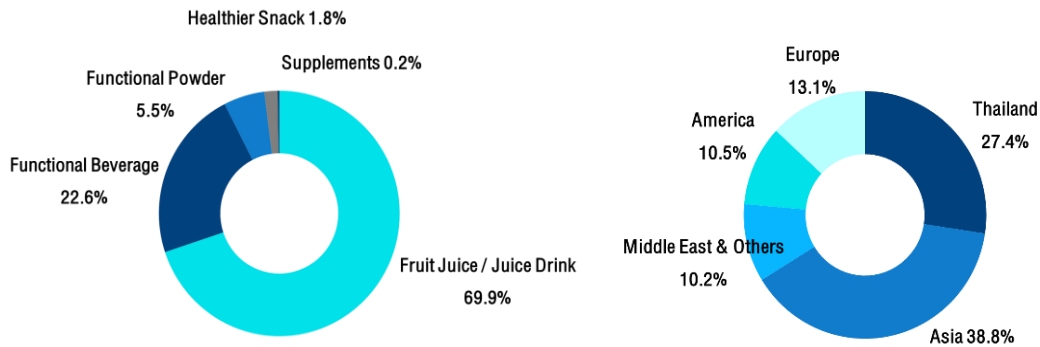
SAPPE recorded sales revenue of THB 1,292 million in the first quarter of 2026, representing an increase of 13.1% compared to the same period last year and an increase of 6.5% from the previous quarter. The growth was primarily driven by the strong recovery in international sales.

International sales revenue totaled THB 938 million, increasing by 25.7% YoY. The growth was mainly attributable to the normalization of inventory stocking by distributors following the overstocking situation in the previous year. The European market continued to show solid recovery since late 2025, while sales in the Americas increased significantly from the previous quarter due to the normalization of previously increased trade tariffs. In the Middle East, sales softened compared to the previous quarter as regional unrest during March negatively affected exports to the region. Meanwhile, the Asian market continued to grow in line with expectations despite intense competition in key markets such as South Korea, as well as distributor-related issues in Indonesia.

Domestic sales revenue for Q1 2026 amounted to THB 354 million, decreasing by 10.6% compared to the same period last year. The decline was mainly attributable to lower coconut prices, which resulted in a 17% decrease in sales value for related product categories, despite a 1% increase in sales volume compared to the previous year. Nevertheless, other products such as B'lué continued to deliver strong sales growth, supported by the launch of new seasonal flavors during the first quarter.



Revenue of Sale of Goods in Q1/2026



Cost of Goods Sold

Cost of sales in the first quarter of 2026 accounted for 54.3% of sales revenue, decreasing from the previous quarter. The improvement was mainly attributable to the depreciation of the Thai Baht toward the end of the first quarter, as well as a higher capacity utilization rate compared to the same period last year. Nevertheless, SAPPE continued to effectively manage costs through several key initiatives, including Automation Projects, Production & HR Planning, Solar Rooftop and Solar Floating projects, as well as the implementation of Machine Learning in quality control processes. As a result, the overall cost of sales ratio remained at a level comparable to the previous year.

Selling Expenses

SAPPE reported a selling expense-to-sales ratio of 21.7% in the first quarter of 2026, representing an increase of 5.6 percentage points compared to the same period last year. The increase was mainly attributable to the reversal of accrued expenses recorded in the first quarter of 2025. Nevertheless, the company was able to maintain the selling expense ratio at a level relatively close to the previous quarter's ratio of 20.3%, reflecting the company's effective expense management and cost control efforts.

Administrative Expenses

SAPPE recorded administrative expenses of THB 101.7 million in the first quarter of 2026, accounting for 7.9% of sales revenue, compared to THB 104.6 million or 9.2% of sales revenue in the same period last year. The decrease reflected the company's improved efficiency in expense management and cost control.



Net Profit (Loss) – Parent Company

Net profit attributable to owners of the parent company in the first quarter of 2026 amounted to THB 183 million, representing 14.2% of sales revenue. The figure increased by 50.8% compared to the previous quarter but decreased by 18.2% compared to the same period last year.

Sincerely Yours,
Sappe Public Company Limited

Ms. Piyajit Ruckariyapong
Chief Executive Officer