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TACC-009/2026

August 6, 2026

Subject: Management Discussion and Analysis for the 2nd quarter and six-month period ended June 30, 2026

To: President
The Stock Exchange of Thailand

T.A.C. Consumer Public Company Limited ("the Company") and its subsidiary ("the Group") would like to clarify the operating results for the second quarter and six-month period ended June 30, 2026 as follows:

Business Overview

For the six-month period ended June 30, 2026, the Group recorded revenue from sales and services of THB 1,321.45 million, an increase of THB 213.80 million, or 19.30%, from the same period of the previous year. Net profit amounted to THB 203.97 million, an increase 34.05%, with a net profit margin of 15.44%, up from 13.74% in the same period of the previous year. This reflects the Group's efficiency in managing costs and expenses, as well as its ability to effectively translate revenue growth into higher returns (Operating Leverage).

The key supporting factors were the sales growth of the Jet Spray and All Café product groups through the 7-Eleven channel, as well as other products supplied to Punthai coffee shops, together with the development of new products in collaboration with key business partners. These factors continued to drive revenue growth and further strengthen the Group's operating performance.

For the six-month period ended June 30, 2026, revenue by distribution channel was derived from 7-Eleven and Others, accounting for 85% and 15%, respectively.

Revenue from sales and services

For the three-month period ended 30 June 2026, the Group recorded revenue from sales and services of Baht 682.83 million, an increase of Baht 105.16 million, or 18.20%, compared with the same period of the previous year. This growth was supported by the continued expansion of sales of the Jet Spray and All Café product groups through the 7-Eleven channel and products supplied to Punthai stores, as well as sales of tea products and beverage raw materials to key domestic customers.

For the first six-month period of 2026, the Group recorded revenue from sales and services of Baht 1,321.45 million, an increase of 19.30% compared with the same period of the previous year, reflecting the continued growth of its core business. This was supported by strong expansion in sales through the 7-Eleven channel and Punthai, increasing popularity of the Thai tea and green tea product groups, as well as the expansion of business collaboration with key customers through new product development and the continued expansion of store branches.

Cost of sales and services, and Gross profit

For the second quarter of 2026, the Group's cost of sales and services amounted to Baht 465.23 million, an increase of Baht 72.13 million, or 18.35%, in line with revenue growth. As a result, gross profit stood at Baht 217.60 million, an increase of Baht 33.03 million, or 17.89%, compared with the same period of the previous year, with a gross profit margin of 31.87%, in line with 31.95% in the prior year. This reflects the Group's ability to efficiently manage production and raw material costs, despite continued challenges from cost pressures and market competition. The product groups with healthy gross profit margins included the All Café group and products supplied to Punthai stores, which continued to support the Group's profitability.

Although revenue from sales and services grew by 19.30% in the first half of 2026, the Group maintained a gross profit margin of 31.97%, broadly in line with 32.22% in the same period last year. This reflects the Group's sound management of raw material costs, production costs, and pricing. The All Café product group and products supplied to Punthai stores continued to deliver healthy gross margins, providing ongoing support to the Group's profitability.

Selling and distribution expenses

For the second quarter of 2026, the Group's selling and distribution expenses amounted to Baht 32.65 million, a decrease of Baht 6.16 million, or 15.88%, from the same period last year. As a result, the ratio of selling and distribution expenses to revenue from sales and services declined to 4.78%, from 6.72% in the prior year. This reflects the Group's efficient management of its marketing budget and sales promotion activities in collaboration with trade partners, as well as the alignment of selling expenses with the Group's business growth strategy, enabling the Group to derive greater benefit from its revenue growth.

The ratio of selling and distribution expenses for the first-half 2026 to revenue declined significantly, from 7.29% to 5.44%, reflecting improved efficiency in marketing spending and distribution channel management. As a result, the Group benefited from revenue growth on an appropriate cost base, which was a key factor supporting the expansion of its operating profit margin during the period.

Administrative expenses

The Group's administrative expenses consist mainly of personnel expenses, depreciation, and consulting fees. For the second quarter of 2026, the Group's administrative expenses amounted to Baht 55.62 million, an increase of Baht 7.85 million, or 16.43%, from the same period last year. The increase was primarily attributable to consulting fees related to the corporate branding design project, as well as legal advisory fees associated with the Group's investment in a new business, both of which were one-time expenses that drove the higher administrative expenses in the current period.

Although administrative expenses for the first-half of 2026 rose due to costs relating to the corporate branding project and the investment transaction, the ratio of administrative expenses to revenue nonetheless declined, from 8.13% to 7.39%. This reflects the Group's effective cost management and expense control, as well as the benefit of revenue growth on a largely fixed cost base, which supported the expansion of its operating profit margin in the current period.

Net profit

For the second quarter of 2026, the Group recorded net profit of Baht 104.30 million, an increase of Baht 25.25 million, or 31.94%, from the same period last year. As a result, the net profit margin rose to 15.28%, from 13.68% a year earlier. This was primarily driven by revenue growth, coupled with the efficient management of selling and administrative expenses, which contributed to the continued improvement in the Group's profitability.

For the first half of 2026, the Group recorded net profit of Baht 203.97 million, an increase of 34.05% from the same period last year, outpacing the 19.30% growth in revenue from sales and services. Consequently, the net profit margin increased to 15.44%, from 13.74% a year earlier, reflecting the Group's effective management of costs and expenses, as well as revenue growing at a faster rate than the increase in operating expenses, whereby profit grew at a higher rate than revenue (operating leverage). This profit growth was derived principally from the core operating performance of the business, supported by sales growth, the maintenance of gross profit margins, and efficient expense management, reflecting the quality of the Group's operating results and its ability to generate sustainable returns.

Financial Position

As at 30 June 2026, the Group had total assets of Baht 1,379.46 million, an increase of Baht 57.68 million, or 4.36%, from the end of 2025. This comprised cash and cash equivalents of Baht 207.04 million, up Baht 70.00 million, while inventories decreased by Baht 24.57 million, reflecting efficient inventory management.

The Group had total liabilities of Baht 521.14 million, a decrease of Baht 20.29 million, mainly attributable to a reduction in trade payables. Shareholders' equity stood at Baht 858.33 million, an increase of Baht 77.97 million, driven by higher profits.

The Group's debt-to-equity (D/E) ratio was 0.61 times, down from 0.69 times at the end of 2025, with a current ratio of 2.51 times and a quick ratio of 2.26 times. These reflect a strong financial structure and a healthy capacity to meet short-term obligations.

Business Plan 2026

The Group expects its revenue for 2026 to continue growing, with a focus on strengthening its core business and placing importance on the efficient and sustainable management of both direct and indirect costs. The Group's operating results for the first half of 2026 reflect its continued growth compared with the same period of the previous year.

Furthermore, during the second quarter, the Board of Directors approved the Company's investment in a new subsidiary, together with an investment in an associate, to support the Group's business expansion and growth.

Sustainability Reporting

The Company drives its business toward sustainability based on its corporate philosophy: "Creating greater well-being and quality of life for a sustainable future in every dimension." The Company has established a Sustainability Committee, a Sustainability Working Team, and a Carbon Footprint for Organization (CFO) Working Team. These bodies are responsible for defining the Company's sustainability framework and strategies, covering the environmental, social, and governance (ESG) dimensions. The Company has implemented the following sustainability initiatives:

Environmental Sustainability Management

The Company has adopted innovative Forest Stewardship Council (FSC) -certified packaging, which is environmentally friendly packaging produced from used paper scraps that are collected and recycled. This packaging is used for chilled beverages served in dispensing containers, such as iced coffee and milk tea, as well as non-coffee beverages offered at All Café, including green tea, milk tea, lemon tea, and Taiwanese tea. This demonstrates the Company's commitment to environmental stewardship while taking into consideration the interests of all stakeholder groups.

In addition, the Company places significant importance on greenhouse gas management and efficient energy utilization. The Company has continuously obtained verification and registration for the Carbon Footprint for Organization (CFO) certification. Furthermore, it promotes the use of clean energy through the installation of solar rooftop power generation systems at its manufacturing facilities. These initiatives help reduce dependence on fossil fuels, lower greenhouse gas emissions, and improve energy efficiency in production processes.

Social Sustainability Management

The Company conducts its business with a strong commitment to its responsibilities toward society and stakeholders, including shareholders, customers, business partners, employees, communities, and society at large. This approach supports sustainable business operations and enables the Company to achieve stable growth while maintaining social acceptance. The Company also encourages employees at all levels to embrace these values. Key practices include:

Respecting and promoting human rights, and treating employees equally, fairly, and without discrimination regardless of race, religion, gender, or physical condition.

The Company's manufacturing facilities have been certified under FSSC 22000, an internationally recognized food safety management system standard for the food and beverage industry, ensuring product quality, hygiene, and consumer safety.

The Company organizes social contribution activities to support communities surrounding its factories and headquarters, with a focus on enhancing quality of life and well-being. Examples include providing beverages to Hajj pilgrims, supporting beverages during religious events, donating water filtration equipment, and offering educational scholarships.

Sustainability Management Through Good Corporate Governance

The Company is committed to conducting its business in accordance with the principles of good corporate governance while pursuing sustainable growth. In 2025, the Company received a 5-Star ("Excellent") rating in the Corporate Governance Report of Thai Listed Companies (CGR), reflecting its transparent and effective governance practices.

In addition, the Company was officially certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) for 2026 and was included in the ESG100 List for 2026 in recognition of its outstanding performance in sustainable business practices.

Sincerely yours,

Chatchawe Vatanasuk

Mr. Chatchawe Vatanasuk

Chief Executive Officer

T.A.C. Consumer Public Company Limited