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Subject Management Discussion and Analysis: MD&A Operating Result of the 3rd Quarter and 9 Months of 2026

Attention: Director and Manager of the Stock Exchange of Thailand

Operating Results

In the third quarter of 2026, economic conditions and consumer purchasing power remained fragile, while competition in the retail fashion and consumer goods businesses intensified across both physical stores and online channels. Accordingly, the Company focused on aligning its product portfolio with customer demand, maintaining the competitiveness of its brands, and improving the efficiency of cost, expense and inventory management, with greater emphasis on earnings quality and cash flow rather than sales growth alone.

Significant Events for the 9 Months of 2026

The Company made an additional investment of THB 500 million in E-Commerce Digital Thai Holding Public Company Limited, invested THB 50 million in Heritage Croc (Thailand) Limited, and paid for shares and a capital increase totaling THB 93.60 million in King Square Suites Company Limited. These investments reflect the Company's capital allocation strategy to expand business opportunities.

Impact of the Expiration of Distribution Rights for the Lacoste Brand: The Company implemented its plan to prepare for the expiration of its distribution rights for Lacoste products by gradually clearing remaining inventories through promotional campaigns and price reductions. The plan also includes transferring and selling certain Lacoste stores and related assets to Heritage Croc (Thailand) Limited.

In the 9 Months of 2026, the Lacoste business recorded net sales of THB 1,107 million, an increase of THB 159 million or 17% from the corresponding period of the previous year. However, markdowns implemented to clear remaining inventories reduced gross profit from THB 402 million to THB 328 million, while gross profit margin declined from 42% to 30%. As a result, the loss increased from THB 43 million to THB 64 million, representing an additional loss of approximately THB 21 million compared with the same period of the previous year.

The Company sold certain related assets in September 2026 and plans to dispose of the remaining assets in phases during 2027 to facilitate an orderly business transition.

The Company continued to pursue strategies to strengthen its brands and distribution channels, adapt its operating model to changing consumer behavior, and evaluate business and investment opportunities offering appropriate returns. These efforts are undertaken with due regard to risk management and financial discipline, while each project is assessed in terms of its readiness and long-term returns.

In the third quarter of 2026, revenue from sales and services amounted to THB 1,994 million, broadly in line with THB 1,990 million in the corresponding period of the previous year. Cost of sales and services increased from THB 1,325 million to THB 1,431 million, resulting in gross profit decreasing by 15%, from THB 665 million to THB 563 million. Gross profit margin declined from 33% to 28%, reflecting pressure on cost of sales and profitability despite stable revenue. The Company therefore continued to focus on cost management, pricing, and optimizing its product mix and distribution channels in response to market conditions. Revenue by product group comprised Cosmetics toiletries & perfumeries of THB 204 million, Women's and men's apparel of THB 1,272 million, Mother and baby products of THB 162 million, Household products of THB 302 million, and other products of THB 54 million.

In the 9 Months of 2026, revenue from sales and services amounted to THB 5,770 million, down 5% from THB 6,072 million in the corresponding period of the previous year. Gross profit amounted to THB 1,823 million, compared with THB 1,928 million in the previous year, a decrease of 5%. Gross profit margin stood at 32%, broadly in line with the previous year. Revenue by product group comprised Cosmetics toiletries & perfumeries of THB 601 million, Women's and men's apparel of THB 3,705 million, Mother and baby products of THB 487 million, Household products of THB 833 million, and other products of THB 144 million.

Distribution costs and administrative expenses

In the third quarter of 2026, distribution costs and administrative expenses totaled THB 727 million, a decrease of THB 93 million, or 11%, compared with the corresponding period of the previous year, reflecting the Company's continued expense management and cost control. Nevertheless, the reduction in expenses could not fully offset the impact of lower gross profit and dividend income.

In the 9 Months of 2026, distribution costs and administrative expenses totaled THB 2,328 million, a decrease of THB 134 million, or 5%, from the corresponding period of the previous year. The Company continued to focus on improving operational efficiency and allocating resources in line with the potential of each business.

Operating Results for the Third Quarter and the 9 Months of 2026

In the third quarter of 2026, dividend income amounted to THB 49 million, down THB 62 million from THB 111 million in the corresponding period of the previous year. Other income, excluding dividend income, amounted to THB 65 million, broadly in line with THB 67 million in the previous year. Together with the decline in gross profit, this resulted in a loss from operating activities of THB 50 million, compared with an operating profit of THB 22 million in the corresponding quarter of the previous year.

The Company recorded a net loss of THB 120 million for the third quarter of 2026, compared with a net loss of THB 7 million in the corresponding period of the previous year. The principal factors were the lower gross profit margin and reduced dividend income, notwithstanding the Company's ability to reduce distribution costs and administrative expenses.

In the 9 Months of 2026, the Company reported net profit of THB 153 million, down 81% from THB 793 million in the corresponding period of the previous year. The decline was primarily attributable to dividend income decreasing by THB

572 million, from THB 1,126 million to THB 554 million, together with lower sales revenue and gross profit amid competitive market conditions. Expense management partially mitigated these effects. Nevertheless, net cash inflows from operating activities increased to THB 412 million from THB 57 million in the corresponding period of the previous year, reflecting improved working capital management.

Table 1 –Operating Results

Operating Result	Unit	Q3		Q2	change		January-September		Change
		2026	2025	2026	% YoY	% QoQ	2026	2025	% YoY
Revenue from sales and rendering of services	MB	1,994	1,990	1,803	0%	11%	5,770	6,072	-5%
Total income	MB	2,108	2,168	2,156	-3%	-2%	6,529	7,432	-12%
Costs of sales and rendering of services	MB	1,431	1,325	1,198	8%	19%	3,947	4,143	-5%
Gross profit	MB	563	665	605	-15%	-7%	1,823	1,928	-5%
Distribution costs and Administrative expenses	MB	727	821	800	-11%	-9%	2,328	2,462	-5%
EBITDA (1)	MB	51	104	195	-51%	-74%	291	943	-69%
Net (Loss) Profit	MB	(119)	(7)	135	1,612%	-188%	153	793	-81%
Profit (Loss) attributable to owners of parent	MB	(122)	(16)	141	654%	-186%	156	783	-80%

Remark

(1) EBITDA is calculated as profit before finance costs, income tax, depreciation, and amortization.It excludes Distribution ans Share of (profit) loss of investments in associates accounted for using equity method.

Table 2 – Key Financial Ratios

Key Financial Ratio	Unit	Q3		Q2	January-	
		2026	2025	2026	2026	2025
EBITDA Margin	%	2%	5%	9%	4%	13%
Net Profit Margin (1)	%	-6%	0%	6%	2%	11%
Profit Margin whice attributable to owners of parent (2)	%	-6%	-1%	8%	3%	13%
Return on Equity (3)	%	0%	0%	0%	1%	3%
Return on Total Assets (4)	%	0%	0%	0%	1%	2%

Remark

(1) Net Profit Margin is calculated by dividing profit (or loss) for the period/year by total revenue.

(2) Profit Margin whice attributable to owners of paren is calculated by dividing the profit

(3) Return on Equity (ROE) is calculated by dividing the profit for the period/year by the shareholders' equity.

(4) Return on Total Assets (ROA) is calculated by dividing net profit attributable to owners of the parent by total assets.

Total Assets

As of September 30, 2026, the Company reported total assets of THB 35,135 million, an increase of THB 321 million from the end of 2025. Cash and cash equivalents amounted to THB 1,062 million, up from THB 618 million at the end of the previous year, while inventories decreased from THB 2,392 million to THB 1,920 million, consistent with the Company's approach to more efficient inventory and working capital management. Investments and financial assets remained significant components of the Company's asset base.

Total Liabilities and Shareholders' Equity

As of September 30, 2026, the Company reported total liabilities of THB 4,895 million, a decrease of THB 168 million from the end of 2025, and total shareholders' equity of THB 30,240 million, an increase of THB 489 million, reflecting a sound financial position and stable capital structure. In the 9 Months of 2026, net cash inflows from operating activities

amounted to THB 412 million, net cash inflows from investing activities totaled THB 609 million, and net cash outflows from financing activities amounted to THB 578 million. The Company continued to prioritize liquidity preservation and working capital management to support ongoing operations and future investments.

Table 3 – Financial position

Financial Status	Unit	Q3		Q2	Change	
		2026	2025	2025	% YoY	% QoQ
Total Assets	MB	35,135	34,815	34,815	1%	1%
Total liabilities	MB	4,895	5,063	5,063	-3%	-3%
Net Debt	MB	3,070	2,421	2,446	27%	25%
Total equity	MB	30,240	29,751	29,751	2%	2%
Net Debt to Equity (1)	times	0.10	0.08	0.08		
Net Debt to EBITDA (2)	times	6.43	2.07	4.61		

Remark

(1) Net Debt-to-Equity Ratio is calculated by dividing net debt by total shareholders' equity.

(2) Net Debt-to-EBITDA Ratio is calculated by dividing net debt by EBITDA over the past 12 months.

Sustainable Development

In the third quarter of 2026, the Company continued to advance its sustainability initiatives by focusing on the implementation of its 2026 corporate strategy at the departmental level under the ESG framework and responsible business practices. The Company emphasized initiatives that improve operational efficiency, reduce costs, enhance data-driven decision-making, and create value for customers, employees, business partners, communities, and stakeholders.

During the quarter, the Company built upon the communication and planning activities carried out in the first half of the year and proceeded with pilot initiatives and the expansion of relevant work processes. Key areas included digital enablement, AI tools, dashboards, AppSheet, App Script and internal process optimization, all of which support the Company's objectives of efficiency, transparency, and sustainability.

Environmental Dimension the Company places importance on reducing environmental impacts from its operations through more efficient resource use and continuous process improvement. In the third quarter of 2026, the Company focused on expanding the use of digital systems in relevant work processes to reduce paper consumption, minimize unnecessary steps, and improve data storage and traceability. The Company continued to monitor greenhouse gas management data, resource consumption, and waste management to assess trends and support improvements to its environmental plans. The Company also encouraged employees to participate in waste segregation, waste reduction, and responsible resource use within their respective departments, helping to build an environmentally conscious corporate culture and support sustainable business operations.

Social Dimension in the third quarter of 2026, the Company continued to focus on people development and building a corporate culture that is ready for change. Particular emphasis was placed on strengthening digital skills, data usage, and cross-functional collaboration so that employees can effectively support the Company's strategic execution.

The Company promoted learning through practical implementation by introducing digital tools and new systems into work processes, such as dashboards to improve visibility of key information, AppSheet or digital forms to enhance work agility, and AI tools to improve data analysis and information management. These efforts support the development of employee capabilities that align with modern ways of working and contribute to a more agile, efficient, and learning-oriented workplace. In terms of social responsibility, the Company continued to support social and community initiatives as appropriate, focusing on activities that create public benefits, support education, improve quality of life, and promote opportunities for different groups in society. These efforts reflect responsible business practices and the creation of shared value between the Company and society.

Governance Dimension the Company continued to conduct business in accordance with good corporate governance, transparency, and business ethics. In the third quarter of 2026, the Company focused on systematically monitoring the progress of its corporate strategy and sustainability initiatives to evaluate performance, improve implementation practices, and manage related risks appropriately. The Company emphasized the use of data and reporting systems to support governance and management decision-making, including performance tracking through dashboards, analysis of sales, costs, expenses, and internal processes, as well as the development of digital approval and data management processes. These initiatives improve accuracy, speed, and auditability. In addition, the Company continued to promote compliance with its business ethics policy, anti-corruption policy, and good corporate governance practices among employees at all levels, thereby strengthening stakeholder confidence and supporting stable and sustainable organizational growth.

For the remainder of 2026, the Company will focus on maintaining the profitability of its core businesses by reviewing its product portfolio, pricing and promotional activities in response to competitive conditions, managing inventories and working capital with discipline, controlling expenses and developing distribution channels that meet changing consumer needs. At the same time, it will evaluate investment opportunities with due regard to returns and risks. Future performance will continue to depend on consumer purchasing power, competitive conditions and investment returns, which may fluctuate over time.

Thank you for your attention and please kindly disseminate this information to all shareholders and investors accordingly.

Yours Sincerely,

(Mr. Thamarat Chokwatana)

President and Executive Chairman