



November 11, 2025

Subject : Management Discussion and Analysis for 3 months and 9 months ended September 30, 2025

To : The President,
The Stock Exchange of Thailand

Applied DB Public Company Limited (the “Company” or “we” or “our”) would like to submit the management discussion and analysis for the Company results of operations for three months and six months ended September 30, 2025 as follows;

**Management Discussion and Analysis for the 3rd Quarter of 2025
Ended September 30, 2025**

Applied DB Public Company Limited (the “Company”) or (“ADB) is one of the leading manufacturers and distributors of plastic compound to our main customers located in Thailand. Besides, the Company also manufactures and sells the products under the Company’s brands and also under customers’ brands. Our revenue depends highly on an industrial growth leading by each industrial sector that uses the Company’s products in the production process such as wire and cable industry, real estate and construction industry. In addition, the demand of products also leads by the economic condition, private sector investments and government bidding projects. In 2025, the Company has one local subsidiary, ADB Bio Co., Ltd., operated in providing biodegradable raw materials, and semi-finished product that can replace traditional plastic to support the development, production and distribution of bio products. ADB is currently holding 99.97% of shares in ADB Bio Co., Ltd. In 2024, ADB’ Board of Directors’ Meeting approved the increase in the registered capital of ADBS to ADB and the Aica Asia Pacific Holding Pte. Ltd., a wholly-owned subsidiary of AICA Kogyo Co., Ltd. In this regards, the Company’s voting rights in ADBS will decrease from 99.99% to 49.00%, resulting in ADBS no longer being a subsidiary of the Company. However, ADBS is currently considered an associate company of ADB under “investments in associate”. ADB has recognized share of profit of associate accounted for using equity method since December 1, 2024 onwards.

After restructuring, the business operation can be classified into 3 major categories under compound business segment including 1) Wire and Cable PVC (Plastic compound used in wire and cable industry); 2) General Grade PVC (Plastic compound used in general applications, Rigid PVC, and Polypropylene Split Yarn (PPY) and 3) Medical Grade PVC) with the following details;



Performance Analysis

Table 1 : Financial Performance of Q3/2025 compared to Q3/2024

	Quarter 3/2024		Quarter 3/2025		Changes +,-	
	MB	MB	MB	%	MB	%
Revenue from Sales	243.04	99.01	208.69	98.67	(34.35)	(14.13)
Cost of Sales	226.20	92.15	180.80	85.48	(45.40)	(20.07)
Gross Profit	16.84	6.86	27.89	13.19	11.05	65.62
Other Income	2.42	0.99	2.82	1.33	0.40	16.53
Profit Before Expenses	19.26	7.85	30.71	14.52	11.45	59.45
Distribution Costs	10.12	4.12	8.82	4.17	(1.30)	(12.85)
Administrative Expenses	18.56	7.56	17.02	8.05	(1.54)	(8.30)
Total SG&A	28.68	11.68	25.84	12.22	(2.84)	(9.90)
Earnings before interest and tax	(9.42)	(3.84)	4.87	2.30	14.29	151.70
Financial Costs	4.74	1.93	1.64	0.78	(3.10)	(65.40)
Share of profit of associate accounted for using equity method	0.00	-	5.90	2.79	5.90	0.00
Profit before tax expenses	(14.16)	(5.77)	9.13	4.32	23.29	164.48
Tax expenses	(0.67)	(0.27)	0.67	0.32	1.34	200.00
Profit(loss)for the year from discontinued operation net of tax	20.17	8.38	0.00	0.00	(20.17)	n/a
Net Income	6.68	2.72	8.46	4.00	1.78	26.65
Other Comprehensive Income	(0.08)	(0.03)	0.02	0.01	0.10	0.00
Total Comprehensive Income for the period	6.61	2.69	8.47	4.00	1.86	28.14

*% is the proportion to the total revenue

On the 3rd quarter of 2024 and 2025, our total revenue was THB 245.46 million and THB 211.51 million, respectively. From those amounts, revenue from sales was accounted of THB 243.04 million and THB 208.69 million, respectively, which represented the decrease of THB (34.35) million, or (14.13%). The decrease in revenue was mainly attributed to the decrease of revenue in wire and cable segments. The revenue of Wire & Cable PVC decreased of THB (16.07) million or (12.20%) compared to the same period of Q3/2024. The major factor impacted on the Wire & Cable segment were the demand from manufacturers who supply products to both government projects and industry group in Real Estate and Construction segments. Besides, our revenue from General Grade PVC decreased for THB (7.85) million, or went down of (20.96%) from its revenue in Q3/2024 due to weaken demand from our major oversea customers. Additionally, our revenue from pharmaceutical graded compound products to be used for medical applications such as blood infusion tube, bleeding bag sold to our partner, Showa Global (Thailand) Co., Ltd. also decreased for THB (10.43) million; or dropped for (14.13%) from last year, respectively. The details of revenue breakdown by product categories are classified as below.



Management Discussion and Analysis for the six months ended
September 30, 2025

Table 2 : Statement of Financial Position as at 30 September 2024 and 2025

	9M 2024		9M 2025		Changes +,-	
	MB	%	MB	%	MB	%
Revenue from Sales	679.29	98.93	630.54	98.49	(48.75)	(7.18)
Cost of Sales	639.59	93.15	544.77	85.10	(94.82)	(14.83)
Gross Profit	39.70	5.78	85.77	13.40	46.07	116.05
Other Income	7.34	1.07	9.64	1.51	2.30	31.34
Profit Before Expenses	47.04	6.85	95.41	14.90	48.37	102.83
Distribution Costs	29.54	4.30	26.44	4.13	(3.10)	(10.49)
Administrative Expenses	59.13	8.61	54.97	8.59	(4.16)	(7.04)
Total SG&A	88.67	12.91	81.41	12.72	(7.26)	(8.19)
Earnings before interest and tax	(41.62)	(6.06)	14.00	2.19	55.62	133.64
Financial Costs	13.01	1.89	5.95	0.93	(7.06)	(54.27)
Share of profit of associate accounted for using equity method	0.00	0.00	17.13	2.68	17.13	n/a
Profit before tax expenses	(54.62)	(7.95)	25.18	3.93	79.80	146.10
Tax expenses	(0.55)	(0.08)	1.54	0.24	2.09	380.00
Profit(loss)for the year from discontinued operation net of tax	52.70	7.68	(0.05)	(0.01)	(52.75)	(100.09)
Net Income	(1.37)	(0.20)	23.60	3.69	24.97	(1,822.63)
Other Comprehensive Income	(0.01)	(0.00)	(0.02)	(0.00)	(0.01)	89.00
Total Comprehensive Income for the period	(1.40)	(0.20)	23.57	3.68	24.97	(1,783.65)

*% is the proportion to the total revenue

Sales Revenue

For the nine months ended September 30, 2024 and 2025, our total revenue was THB 686.63 million and THB 640.18 million, respectively. From those amounts, revenue from sales was accounted of THB 679.29 million and THB 630.54 million, respectively, which represented the decrease of THB (48.75) million, or (7.18%). The decrease in revenue was mainly attributed to the decrease of revenue from pharmaceutical graded compound products to be used for medical applications such as blood infusion tube, bleeding bag sold to our partner, Showa Global (Thailand) Co., Ltd. also decreased for THB (18.25) million; or dropped for (8.68%) from last year. Besides, our demand for General Grade PVC also dropped for THB (17.15) million, or went down of (15.46%) from its revenue in 9M/2024 due to weaken demand from our major oversea customers. Additionally, our revenue of Wire & Cable PVC also decreased of THB (13.35) million or (3.73%) compared to the same period of 9M/2024. The main target customers are those wire & cable manufacturers who supply products to both government projects and industry group in Real Estate and Construction segments. The details of revenue breakdown by product categories are classified as below;



Table 3 : Revenue breakdown by Business – for the nine-month period ending September 30

Revenue of Business	For the 9-month period				Increase (decrease)	
	Jan-September 2024		Jan-September 2025			
	MB	%	MB	%	MB	%
Wire and Cable PVC	357.97	52.70	344.62	54.65	(13.35)	(3.73)
General Grade PVC	110.96	16.33	93.81	14.88	(17.15)	(15.46)
Medical Graded PVC	210.36	30.97	192.11	30.47	(18.25)	(8.68)
Total Revenue	679.29	100.00	630.54	100.00	(48.75)	(7.18)

In terms of main customer types by industry from the past 9 months, approximately 96.49% of our revenue was classified under Real Estate and construction. For the Plastic Compound group, the Company main targets are large wire and cable manufacturers who supply the products to both government projects and industry group in Real Estate and Construction segment. The rest of 3.51% was attributed to other industries.

Table 4 : Revenue by Industry – for the nine-month period ending September 30

Revenue by Industry	For the three-month period				For the nine-month period			
	Jul-Sep 2024		Jul-Sep 2025		Jan-Sep 2024		Jan-Sep 2025	
	MB	%	MB	%	MB	%	MB	%
Real Estate and Construction	231.47	95.24	200.77	96.21	642.89	94.64	608.39	96.49
Shoes & Leathers	1.00	0.41	0.65	0.31	2.78	0.41	0.65	0.10
Automotives	0.48	0.20	0.51	0.25	1.46	0.31	0.99	0.16
Others	10.09	4.15	0.75	3.24	32.17	4.74	20.52	3.25
Total Revenue	243.04	100.00	208.69	100.00	679.29	100.00	630.54	100.00

Cost of Sales and Gross Profit

In the 9M of 2024 and 2025, cost of sales decreased from THB 639.59 million to THB 544.77 million, respectively. Overall, gross margin of our Plastic Compound products has been increasing due to the overall material costs and petrochemical products have been decreasing in 9M/2025 compared to the same period of last year. As a results, our gross margin from Wire & Cable PVC, General Grade PVC, and medical segment increased from THB 39.70 million, or 5.84% in 9M/2024 to THB 85.78 million, or 13.60% in 9M/2025, respectively. The following table indicates the breakdown of cost of sales by business segment.

Table 6 : Cost of sales and Gross Profit

Cost of sales and Gross Profit	Jan-Sep 2024	Jan-Sep 2025
	MB	MB
Cost of Sales : Plastic Compound Business	639.59	544.77
Gross Profit : Plastic Compound Business	39.70	85.78
Gross Profit Margin (%)	5.84%	13.60%



Overall performance, gross margin of plastic compound business significantly improved in 9M/2025 caused by lower major material costs of production, including PVC Resin and Plasticizers to be used as additive solutions, has been stable from less demand from petrochemical segment and less energy costs compared to the same period of last year. Additionally, ADB has set KPI to reduce waste during production process, and increased production efficiency. Therefore, the overall gross margin has been increasing in 9M/2025 compared to 9M/2024.

Selling & Administrative Expenses

Total selling and administrative expenses in 9M/2025 decreased THB (7.26) million, or (8.19%) from 9M/2024. The decrease in selling and administrative costs was mainly due to the following reasons;

Table 7 : Selling & Administrative Expenses

Selling & Administrative Expenses	Jan-Sep 2024		Jan-Sep 2025		Increase (decrease)	
	MB	%	MB	%	MB	%
Selling Expenses	29.54	33.31	26.44	32.48	(3.10)	(10.49)
Administrative Expenses	59.13	55.69	54.97	67.52	(4.16)	(7.04)
Selling & Administrative Expenses	88.67	100.00	81.41	100.00	(7.26)	(8.19)

Selling Expenses

Total selling expenses decreased THB (3.10) million or (10.49%) from THB 29.54 million in 9M/2024 to THB 26.44 million in 9M/2025. The decrease of selling expenses was primarily due to decrease of sales revenue from domestic customers leading the lower transportation expenses in both local & oversea logistics activities associated with the increase in sales volume. In addition, less commission was paid to sales person and sales team in accordance with decreasing in sales revenue.

Administrative Expenses

Total administrative expenses for 9M/2025 decreased to THB 54.97 million from THB 59.13 million during the same period of last year or decreased of THB (4.16) million, or (7.04%) of 9M/2024. The Company has reduced number of employees and staffs as well as recognized early retirement benefits of management and employees and travelling expenses during 9M/2025.



Finance costs

When compared to the finance costs between 9M/2024 and 9M/2025, total finance costs decreased from THB 13.01 million to THB 5.95 million, respectively. A decrease of finance costs for THB (7.06) million or from 1.89% of net sales in 9M/2024 to 0.93% of net sales in 9M/2025 was mainly due to was mainly due to the decrease in market interest rates of commercial bank loans. Additionally, ADB' short-term loan was significantly less than the year before after receiving the payment from ADB Sealant Co., Ltd. for THB 352.41 million in Q4/2024 for settlement of outstanding assets transfer payment.

Net Profit

The Company had net profit for 9M/2025 for THB 23.60 million from net loss of THB (1.37) million of 9M/2024. The major factor led to the rebound of the net profit from Compound Business derived from lower major material costs of production, including PVC Resin and Plasticizers to be used as additive solutions and less energy costs compared to the same period of last year. Therefore, ADB and its subsidiary has net profit from Plastic Compound segment for THB 6.17 million. Additionally, ADB has gained from share of profit of associate accounted for using equity method for THB 17.13 million during 9M/2025 in our consolidated income. Therefore, our consolidated net profit was at THB 23.60 million in 9M/2025.

Total Assets

As at December 31, 2024 and June 30, 2025, the Company had total assets of THB 1,053.57 million and THB 963.73 million, respectively. The company's main assets mainly consist of trade accounts receivable and other receivables, inventories, and property, plant and equipment. Among these assets; it can be classified as current assets for THB 519.97 million and THB 415.24 million and non-current assets for THB 533.60 million and THB 548.50 million, respectively.

Significant changes in assets during the 3rd Quarter of 2025 are summarized below;

1. Current Assets

Cash and cash equivalents as at December 31, 2024, and September 30, 2025, the overall cash and cash equivalents decrease of THB (39.08) million was attribute to the 3 major transactions, operating activities, investment activities and financing activities. During 9M/2025, our net cash flow were received from operating activities for THB +45.99 million. From these figures, ADB had net cash inflow before changes in operating assets for THB 37.23 million. The major changes in operating assets and liabilities were mainly attributed to the decrease of accounts receivable for THB +47.32 million, the decrease of inventory for THB +13.93 million. However, the Company had net cash flow used in operating activities mainly in a decrease of accounts payable for (52.03) million. In investing activities, the cash has also been used for the investment of fixed assets for THB (16.36) million. In financing activities, the company has net cashflow used in financing activities for THB (68.71) million



mostly from the settlement of short-term loan to the bank for THB (45.77) million and dividend payment for THB (14.51) million during Q2/2025.

- *Trade accounts receivable* as at December 31, 2024, and September 30, 2025, trade accounts receivable and other receivable have total THB 251.18 million and THB 202.02 million respectively, or the decrease of THB (49.16) million due to less sales turnover during the past 9 months compared to the same period of last year. Our accounts receivable was classified as the following table;

	Unit (MB)	For the period ended	
		31 December 2024	30 September 2025
Related parties		0.06	0.12
Other receivables		252.07	203.86
Total Receivables		252.13	203.98
Less allowance for doubtful accounts		(0.94)	(1.96)
Net Accounts Receivable		251.18	202.02

The allowance for doubtful accounts was set by considering ability to collect cash by using the percentage of outstanding balance over the different period of time. In addition, fully reserve will be set once there are factors trigger to the potential credit defaults of any receivables. However, the average collection period increased from 91 days as at 9M/2024 to 97 days as at 9M/2025 due to the credit term extension of some of our customers.

- *Inventories* as at December 31, 2024, and September 30, 2025, a decrease in inventory of THB (14.72) million from THB 137.13 million to THB 122.41 million was primarily the result of less materials to be reserved for our customers' orders during the following period and less goods in transit to be delivered in our warehouse.

	Unit (MB)	For the period ended	
		31 December 2024	30 September 2025
Finished goods		48.84	45.95
Raw materials		67.96	72.51
Work in process		0.02	0.01
Factory supplies		8.75	7.65
Goods in transit		14.48	0.00
Allowance for decline in value		(2.92)	(3.71)
Net Total		137.13	122.41



2. Non-current Assets

- *Property, plant and equipment* as at December 31, 2024, and September 30, 2025, the Company had total plant and equipment of THB 178.03 million and THB 188.50 million respectively as the Company has been setting up the new production lines for Wire & Cable business and Bio-based PVC Compound to support our subsidiary company.

Total Liabilities & Shareholders' Equity

As at December 31, 2024 and September 30, 2025, the Company had total liabilities of THB 418.73 million and THB 319.95 million respectively. The company's major liabilities were consisting of bank overdrafts and short-term borrowings from financial institutions, trade accounts payable, and other payables, and long-term loans from financial institutions. During this period, the Company had shareholders' equity of THB 634.84 million and THB 643.79 million, respectively. At the end of the 9M/2025, the Company's shareholders' equity consisted of paid-up capital of THB 363.00 million. The other shareholders' equity included share premium of THB 202.20 million, surplus on share-base payment of THB 0.31 million, appropriated to legal reserve of THB 21.96 million, unappropriated reserve of THB 56.29 million and other component of shareholders' equity of THB 0.02 million.

Significant changes in liabilities and shareholders' equity during the 3rd Quarter of 2025 are summarized below;

1. Current Liabilities

- *Short-term borrowings from financial institutions* as at December 31, 2024, and September 30, 2025, a decrease in short-term loan of THB (45.77) million was the result of the internal cash flow to be settled with the short-term loan outstanding during 9M/2025.
- *Trade accounts payable* as at December 31, 2024, and September 30, 2025, a decrease in accounts payable of THB (52.15) million was mainly due to the decrease in oversea accounts payable. During 9M/25, the average accounts payable period decreased from 64 days as at 9M/2024 to 59 days as at 9M/2025.

2. Non-current liabilities

As at September 30, 2025, the Company's non-current liabilities consisted of lease liabilities for THB 12.32 million. However, we accrued non-current provisions for employee benefit of THB 23.51 million with the reference of the actuarial report from the actuarial experts.

3. Shareholders' equity

As at September 30, 2025, the Company's shareholders' equity of THB 643.78 or an increase of THB +8.94 million, was the results of net profit from operation during 9M/2025. During Q2/2025, ADB already paid cash dividend to shareholders at THB 0.02/share for the total of THB 14.51 million.



Financial Ratio Analysis

Table 7 : Key Financial Ratios

Financial Ratio	Unit	For the year ended 31 Dec 24	For 3 months Ended 30 Sep 24	For 3 months Ended 30 Sep 25	For 9 months Ended 30 Sep 24	For 9 months Ended 30 Sep 25
<u>Liquidity Ratio</u>						
Current Ratio	Times	1.38	1.22	1.46	1.22	1.46
Collection Period	days	122	85	86	91	97
Inventory Period	days	108	58	72	61	71
Accounts Payable Period	days	80	60	55	64	59
<u>Profitability Ratio</u>						
Gross Profit Margin	%	6.33	6.93	13.36	5.84	13.60
Net Profit Margin	%	3.41	2.73	4.00	(0.20)	3.69
Return On Equity	%	5.54	4.49	5.28	(0.31)	4.92
<u>Turnover Ratio</u>						
Return on Assets	%	2.78	(1.15)	3.41	(0.13)	3.12
Asset Turnover	Times	0.81	1.12	0.84	0.64	0.83
<u>Financial Policy</u>						
Debt to Equity	Times	0.66	1.37	0.50	1.37	0.50
Interest Coverage Ratio	Tunes	2.35	0.57	2.02	0.90	2.02

1. Current Ratio

As at Sep 30, 2025, our liquidity ratio increased from 1.22 times in 9M/2024 to 1.46 times in 9M/2025. For Liquidity management, the collection period increased from 91 days in 9M/2024 to 97 days in 9M/2025 due to the credit term extension of some customers. For inventory turnover, our inventory period increased from 61 days in 9M/2024 to 71 days in 9M/2025. Our accounts payable days decreased from 64 days to 59 days in 9M/2025.

2. Profitability Ratio

The Company gross profit margin. increased significantly from 5.84% to 13.60%. Our profit margin was rebound from last year due to the stability of major material costs of production, including PVC Resin and Plasticizers to be used as additive solutions. Those chemical materials have been directly impacted from less global demand of petrochemical products around the world. However, our selling & administrative expenses have been affected by the early retirement benefits of management and employees and travelling expenses during 9M/2025 and selling expenses associated to the decrease of sales transaction such as sales benefits and transportation expenses. As a results, our net profit margin rebounded from (0.20%) in 9M/2024 to 3.69% in 9M/2025. These better NPM led to the increase of Return on Equity to 4.92% in 9M/2025.



3. Turnover Ratio

As at September 30, 2025, the Company return on assets was rebound from (0.13%) in 9M/2024 to 3.12% in 9M/2025. In addition, our asset turnover also increased from 0.64 times in 9M/2024 to 0.83 times in 9M/2025 due to less assets to be used to generate sales turnover of Plastic Compound Business during the past 9 months.

4. Financial Policy

As at September 30, 2025, our debt-to-equity ratio significantly decreased from 1.37 times in 9M/2024 to 0.50 times in 9M/2025 due to significant reduction of short-term bank loans from financial institutions after debt repayment from ADDBS in November 2024. With the higher earnings before interest and tax of Q3/2025, the interest coverage ratio also increased from 0.90 times in 9M/2024 to 2.02 times in 9M/2025.

Please be informed accordingly.

Yours Sincerely,



(Mr. Wang Wanapaison)
Chief Executive Officer