



February 23, 2026

Subject : Management Discussion and Analysis for the year ended December 31, 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 the year ended December 31, 2025 as follows;

**Management Discussion and Analysis for the year
Ended December 31, 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 99.995% of shares in ADB Bio Co., Ltd. In December 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 Financial Position as at 31 December 2024 and 2025

	2024		2025		Changes +,-	
	MB	%	MB	%	MB	%
Revenue from Sales	925.91	92.26	832.79	98.62	(93.12)	(10.06)
Cost of Sales	867.28	86.42	715.49	84.73	(151.79)	(17.50)
Gross Profit	58.63	5.84	117.30	13.89	58.67	100.07
Other Income	77.65	7.74	11.64	1.38	(66.01)	(85.01)
Profit Before Expenses	136.28	13.58	128.94	15.27	(7.34)	(5.39)
Distribution Costs	40.02	3.99	36.03	4.27	(3.99)	(9.97)
Administrative Expenses	98.14	9.78	77.37	9.16	(20.77)	(21.16)
Total SG&A	138.16	13.77	113.40	13.43	(24.76)	(17.92)
Earnings before interest and tax	(1.87)	(0.19)	15.54	1.84	17.41	(931.02)
Financial Costs	16.68	1.66	7.12	0.84	(9.56)	(57.31)
Profit sharing from associated company	1.30	0.13	21.11	2.50	19.81	1,523.85
Profit before tax expenses	(17.25)	(1.72)	29.53	3.50	46.78	271.19
Tax expenses	7.01	0.70	1.79	0.21	(5.22)	(74.47)
Profit (loss) for the year from continuing operations	(24.26)	(2.42)	27.74	3.29	52.00	214.34
Profit (loss) for the year from discontinued operation net of tax	58.47	5.83	(0.05)	(0.01)	(58.52)	(100.09)
Net Income	34.22	3.41	27.69	3.28	(6.53)	(19.08)
Other Comprehensive Income	0.02	0.00	0.11	0.01	0.09	558.68
Total Comprehensive Income for the period	34.24	3.41	27.59	3.27	(6.65)	(19.41)

*% is the proportion to the total revenue

Sales Revenue

For the year ended December 31, 2024 and 2025, our total revenue was THB 1,003.57 million and THB 844.43 million, respectively. From those amounts, revenue from sales was accounted of THB 925.91 million and THB 832.79 million, respectively, which represented the decrease of THB (93.12) million, or (10.06%). The revenue of plastic compound business has been decreasing during 2025. 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 (48.02) million; or dropped for (16.79%) from last year. Besides, our demand for General Grade PVC also dropped for THB (22.48) million, or went down of (15.29%) from its revenue in FY2024 due to weaken demand from our major oversea customers. Additionally, our revenue of Wire & Cable PVC also decreased of THB (22.63) million or (4.59%) compared to FY2024. 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 2 : Revenue breakdown by Business – for the year ending December 31

Revenue of Business	For the year ended				Increase (decrease)	
	FY 2024		FY 2025			
	MB	%	MB	%	MB	%
Wire and Cable PVC	492.91	49.12	470.28	55.69	(22.63)	(4.59)
General Grade PVC	146.98	14.65	124.50	14.74	(22.48)	(15.29)
Medical Graded PVC	286.02	28.50	238.00	28.19	(48.02)	(16.79)
Total Revenue	925.91	92.26	832.79	98.62	(93.12)	(10.06)
Gains On loss of control in a subsidiary	30.44	3.03	-	0.00	0.00	0.00
Gain on disposal of assets	34.66	3.45	0.58	0.07	(34.08)	(98.33)
Other Revenue	12.56	1.25	11.06	1.31	(1.50)	(1.94)
Total Other Revenue	77.66	7.74	11.64	1.38	(66.02)	(85.01)
Total Revenue	1,003.57	100.00	844.43	100.00	(159.14)	(15.86)

Cost of Sales and Gross Profit

In 2024 and 2025, cost of sales decreased from THB 867.28 million to THB 715.49 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 FY2025 compared to FY2024. As a results, our gross margin from Wire & Cable PVC, General Grade PVC, and medical segment increased from THB 58.63 million, or 6.33% in FY2024 to THB 117.30 million, or 14.09% in FY/2025, respectively. The following table indicates the breakdown of cost of sales by business segment.

Table 3 : Cost of sales and Gross Profit

Cost of sales and Gross Profit	Jan-Dec 2024	Jan-Dec 2025
	MB	MB
Cost of Sales : Plastic Compound Business	867.28	715.49
Gross Profit : Plastic Compound Business	58.63	117.30
Gross Profit Margin : Plastic Compound	6.33	14.09

Overall performance, gross margin of plastic compound business significantly improved in 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 2025 compared to 2024.



Selling & Administrative Expenses

Total selling and administrative expenses in 2025 decreased THB (24.76) million, or (31.13%) from 2024. The decrease in selling and administrative costs was mainly due to the following reasons;

Table 4 : Selling & Administrative Expenses

Selling & Administrative Expenses	Jan-Dec 2024		Jan-Dec 2025		Increase (decrease)	
	MB	%	MB	%	MB	%
Selling Expenses	40.02	28.97	36.03	31.77	(3.99)	(9.97)
Administrative Expenses	98.04	71.03	77.37	68.23	(20.67)	(21.08)
Selling & Administrative Expenses	138.06	100.00	113.40	100.00	(24.76)	(17.86)

Selling Expenses

Total selling expenses decreased to THB 36.03 million in 2025 from THB 40.02 million in 2024, or decreased of THB (3.99) million, or (9.97%) from selling expenses in 2024. 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 decrease 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 in 2025 decreased to THB 77.37 million from THB 98.14 million during the same period of last year or decreased of THB (20.67) million, or (21.08%) of 2024. The Company has reduced number of employees and staffs as well as recognized early retirement benefits of management and employees in 2025. In addition, ADB did not have extra administrative expenses, mainly related to the Assets Transfer Fees, Special Business Tax, and additional expenses occurred during the corporate restructuring process of ADBS that were booked in 2024.

Finance Costs

When compared to the finance costs between 2024 and 2025, total finance costs decreased from THB 16.68 million to THB 7.12 million, respectively. A decrease of finance costs for THB (9.56) million or from 1.66% of net sales in 2024 to 0.84% of net sales in 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 a net profit of 2025 for THB 27.69 million from THB 34.22 million of FY2024. However, the Company recognized gain of assets disposal to ADB Sealant Co., Ltd., for THB 34.65 million, and gained from discontinued operation of ADBS to contribute to ADB Net Profit in 2024. Therefore, Net Profit of consolidated report of 2025 derived from normal business operation of ADB and subsidiary as well as profit sharing from associated company (ADBS) only.

From our core business, the major factor led to the profit from Compound segment 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 6.58 million. Additionally, ADB has gained from share of profit of associate accounted for using equity method from ADBS for THB 21.11 million during 2025 in our consolidated income. Therefore, our consolidated net profit was at THB 27.69 million in FY2025.

Financial Position

Total Assets

As at December 31, 2024 and 2025, the Company had total assets of THB 1,053.57 million and THB 919.83 million, respectively. The company's main assets were 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 365.04 million and non-current assets for THB 533.60 million and THB 554.79 million, respectively.

Significant changes in assets in 2025 are summarized below;

1. Current Assets

- Cash and cash equivalents as at December 31, 2024 and December 31, 2025, the overall cash and cash equivalents decrease of THB (44.72) million was attribute to the 3 major transactions, operating activities, investment activities and financing activities. In 2025, our net cash flow were received from operating activities for THB +107.33million. From these figures, ADB had net cash inflow before changes in operating assets for THB 51.25 million. The major changes in operating assets and liabilities were mainly attributed to the decrease of accounts receivable for THB +66.18 million, the decrease of inventory for THB +36.67 million. However, the Company had net cash flow used in operating activities mainly in a decrease of accounts payable for (48.86) million. In investing activities, the cash has also been used for the investment of fixed assets for THB (24.61) million. In financing activities, the company has net cashflow used in financing activities for THB (127.58) million mostly from the settlement of short-term loan to the bank for THB (102.82) million and dividend payment for THB (14.51) million during Q2/2025.
- Trade accounts receivable as at December 31, 2024, and December 31, 2025, trade accounts receivable decrease of THB 69.02 million was led by less revenue from sales in 2025 and faster collection period compared to FY 2024.



	For year ended	
	Unit (MB)	
	31 December 2024	31 December 2025
Related parties	.06	0.11
Other receivables	252.07	184.59
Total Receivables	252.13	184.70
Less allowance for doubtful accounts	(0.94)	(2.54)
Net Accounts Receivable	251.18	182.16

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 decreased from 98 days as at December 31, 2024 to 94 days as at December 31, 2025. However, ADB has accrued more allowance for doubtful accounts from THB 0.94 million to THB 2.54 million due to the late payments from an oversea customer.

- *Inventories* as at December 31, 2024, and December 31, 2025, a decrease in inventory of THB 38.04 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. Therefore, ADB has less raw materials for (27.94) million and lower finished goods for THB (8.08) million at the end of 2025.

	For year ended	
	Unit (MB)	
	31 December 2024	31 December 2025
Finished goods	48.84	40.76
Raw materials	67.96	40.02
Work in process	0.02	0.01
Factory supplies	8.75	7.60
Goods in transit	14.48	14.99
Allowance for decline in value	(2.92)	(4.29)
Net Total	137.13	99.09

2. Non-current Assets

- *Property, plant and equipment* as at December 31, 2024, and December 31, 2025, the Company had total plant and equipment of THB 178.03 million and THB 190.77 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 December 31, 2025, the Company had total liabilities of THB 418.73 million and THB 272.04 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 647.79 million, respectively. At the end of 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 22.31 million, unappropriated reserve of THB 59.96 million and other component of shareholders' equity of THB 0.02 million.

Significant changes in liabilities and shareholders' equity of 2025 are summarized below;

1. Current Liabilities

- Short-term borrowings from financial institutions as at December 31, 2024, and December 31, 2025, a decrease in short-term loan of THB (102.82) million was the result of the internal cash flow to be settled with the short-term loan outstanding in 2025.
- Trade accounts payable as at December 31, 2024, and December 31, 2025, a decrease in accounts payable of THB (49.10) million was mainly due to the decrease in oversea accounts payable. In 2025, the average accounts payable period was stable at 60 days compared to 2024.

2. Non-current liabilities

As at December 31, 2025, the Company's non-current liabilities consisted of lease liabilities for THB 11.69 million. However, we accrued non-current provisions for employee benefit of THB 25.82 million with the reference of the actuarial report from the actuarial experts.

3. Shareholders' equity

As at December 31, 2025, the Company's shareholders' equity of THB 647.79 or an increase of THB +12.95 million, was the results of the profit from operation during 2025. During Q2/2025, ADB already paid cash dividend to shareholders at THB 0.02/share for the total of THB 14.51 million.



Table 5 : Key Financial Ratios

Financial Ratio	Unit	Q4 Ended 31 Dec 24	Q4 Ended 31 Dec 25	For the year ended 31 Dec 24	For the year ended 31 Dec 25
Liquidity Ratio					
Current Ratio	Times	1.38	1.56	1.38	1.56
Collection Period	days	98	83	98	94
Inventory Period	days	57	56	57	59
Accounts Payable Period	days	60	47	60	60
Profitability Ratio					
Gross Profit Margin	%	7.68	15.59	6.33	14.09
Net Profit Margin	%	11.27	2.00	3.41	3.28
Return On Equity	%	5.41	4.29	5.54	4.32
Turnover Ratio					
Return on Assets	%	3.26	2.94	2.78	2.81
Asset Turnover	Times	0.95	0.86	0.95	0.86
Financial Policy					
Debt to Equity	Times	0.66	0.42	0.66	0.42
Interest Coverage Ratio	Times	2.35	3.57	2.35	3.57

1. Current Ratio

As at December 31, 2025, our liquidity ratio increased from 1.38 times in 2024 to 1.56 times in 2025. For Liquidity management, the collection period decreased from 98 days in 2024 to 94 days in 2025 due to faster payment collections from our customers during 2025. For inventory turnover, our inventory period increased from 57 days in 2024 to 59 days in 2025. The impact of less inventory turnover in 2025 derived from the lower revenue from sales of our PVC Compound products to customers. For accounts payable period, our accounts payable days was stable at 60 days in 2025 compared to 2024.

2. Profitability Ratio

The Company gross profit margin slightly increased from 6.33% in 2024 to 14.09% in 2025. 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. For SG&A, our administrative expenses ADB has reduced number of employees and staffs as well as recognized early retirement benefits of management and employees during 2025. Besides, we also have got benefit from lower selling expenses associated to the decrease of sales transaction such as sales benefits and transportation expenses. In addition, we did not have extra administrative expenses, mainly related to the corporate restructuring process of ADBS that were booked in 2024. As a results, our net profit margin was at 3.28% in 2025. This NPM led to the Return on Equity to 4.32% in FY 2025.



3. Turnover Ratio

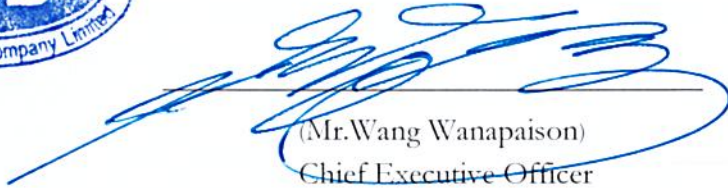
As at December 31, 2025, the Company return on assets was rebound from 2.78% in 2024 to 2.81% in 2025. In contrast, our asset turnover decreased from 0.95 times in 2024 to 0.86 times in 2025 due to less assets to be used to generate sales turnover of Plastic Compound Business especially from Medical graded PVC revenue during 2025.

4. Financial Policy

Debt to Equity ratio decreased from 0.66 times in 2024 to 0.42 times in 2025 due to significant reduction of short-term bank loans from financial institutions after debt repayment from ADBS in November 2024. With the higher earnings before interest and tax of 2025, the interest coverage ratio also increased from 2.35 times in 2024 to 3.57 times in 2025.

Please be informed accordingly.

Yours Sincerely,



(Mr.Wang Wanapaison)
Chief Executive Officer