August 7, 2026

Subject : Management Discussion and Analysis for 3 months and 6 months ended June 30, 2026

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 June 30, 2026 as follows;

Management Discussion and Analysis for the 2nd Quarter of 2025 Ended June 30, 2026

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. Currently, 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 currently has 1 subsidiary, holding 99.97% of shares in ADB Bio Co., Ltd. and 1 associated company, holding 49% of voting rights in ADBS. under "investments in associate". ADB has recognized share of profit of associate accounted for using equity method.

For our current operations, our business structure 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 performed by ADB and its' subsidiary;

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Performance Analysis

Table 1 : Financial Performance of Q2/2025 compared to Q2/2026

	Quarter 2/2025		Quarter 2/2026		Changes +,-	
	MB	%	MB	%	MB	%
Revenue from Sales	184.80	98.36	277.73	98.94	92.93	50.29
Cost of Sales	162.91	86.70	203.22	72.40	40.31	24.74
Gross Profit	**21.89**	11.65	**74.51**	**26.54**	**52.62**	**240.38**
Other Income	2.98	1.59	2.71	0.97	(0.27)	(9.06)
Net Foreign Exchange Gain	0.11	0.06	0.26	0.09	0.15	136.36
Profit Before Expenses	**24.98**	13.30	**77.48**	**27.60**	**52.50**	**210.17**
Distribution Costs	8.20	4.36	10.63	3.79	2.43	29.63
Administrative Expenses	16.33	8.69	26.96	9.60	10.63	65.09
Total SG&A	24.53	13.06	**37.59**	**13.39**	**13.06**	**53.24**
Earnings before interest and tax	**0.45**	0.24	**39.89**	**14.21**	**39.44**	**8,764.44**
Financial Costs	2.16	1.15	0.83	0.30	(1.33)	(61.57)
Share of profit of associate accounted for using equity method	5.68	3.02	9.89	3.52	4.21	74.12
Profit before tax expenses	**3.97**	**2.11**	**48.95**	**17.44**	**44.98**	**1,133.00**
Tax expenses	(0.29)	(0.15)	7.68	2.74	7.97	(2,748.28)
Net Income	**4.27**	**2.27**	**41.28**	**14.71**	**37.01**	**866.51**
Other Comprehensive Income	(0.01)	(0.01)	**0.00**	**0.00**	**0.01**	**100.00**
Total Comprehensive Income for the period	**4.26**	**2.26**	**41.27**	**14.70**	**37.01**	**868.78**

**% is the proportion to the total revenue*

On the 2nd quarter of 2025 and 2026, our total revenue was THB 187.89 million and THB 280.70 million, respectively. From those amounts, revenue from sales was accounted of THB 184.80 million and THB 277.73 million, respectively, which represented the increase of THB 92.93 million, or +50.29%. The increase in revenue was mainly attributed to the increase of revenue in wire and cable segments. The revenue of Wire & Cable PVC increased of THB + 108.01 million or +119.19% compared to the same period of Q2/2025. 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. Furthermore, the foreign direct investments including tech-driven organization has led to the business opportunity on power supply expansion in industrial estates. In addition, the tight supply constraints has driven a significant demand on PVC compound for wire & cable products in Q2/2026. However, the revenue from pharmaceutical graded compound products to be used for medical applications such as blood infusion tube, blooding bag sold to our partner, Showa Global (Thailand) Co., Ltd. has decreased for THB (16.03) million; or dropped for (25.41%) from last year, respectively. Besides, our revenue from General Grade PVC increased for THB +0.95 million, or went up of +3.05% from its revenue in Q2/2025. The details of revenue breakdown by product categories are classified as below;

Management Discussion and Analysis for the six months ended June 30, 2026

Table 2 : Statement of Financial Position as at 30 June 2025 and 2026

	1H 2025		1H 2026		Changes +,-	
	MB	%	MB	%	MB	%
Revenue from Sales	421.85	98.40	498.14	98.88	76.29	18.08
Cost of Sales	363.96	84.90	382.31	75.89	18.35	5.04
Gross Profit	**57.89**	13.50	**115.83**	**22.99**	**57.94**	**100.09**
Other Income	6.75	1.57	5.12	1.02	(1.63)	(24.15)
Net Foreign Exchange Gain	0.10	0.02	0.50	0.10	0.40	400.00
Profit Before Expenses	**64.74**	15.10	**121.45**	**24.11**	**56.71**	**87.60**
Distribution Costs	17.62	4.11	20.05	3.98	2.43	13.79
Administrative Expenses	38.04	8.87	50.86	10.10	12.82	33.70
Total SG&A	**55.66**	12.98	**70.91**	**14.08**	**15.25**	**27.40**
Earnings before interest and tax	**9.08**	2.12	**50.54**	**10.03**	**41.45**	**456.00**
Financial Costs	4.31	1.01	1.62	0.32	(2.69)	(62.41)
Share of profit of associate accounted for using equity method	11.23	2.62	19.68	3.91	8.45	75.24
Profit before tax expenses	**16.01**	3.73	**68.61**	**13.62**	**52.60**	**328.54**
Tax expenses	(0.87)	(0.20)	10.09	2.00	9.22	1,059.77
Profit(loss)for the year from continuing operations	15.14	3.35	58.52	11.62	43.38	286.53
Net Income	**15.14**	**3.53**	**58.52**	**11.62**	**43.37**	**286.27**
Other Comprehensive Income	(0.03)	(0.01)	(0.00)	(0.00)	0.03	(86.67)
Total Comprehensive Income for the period	**15.11**	**3.52**	**58.52**	**11.62**	**43.41**	**287.32**

**% is the proportion to the total revenue*

Sales Revenue

For the six months ended June 30, 2025 and 2026, our total revenue was THB 428.71 million and THB 503.76 million, respectively. From those amounts, revenue from sales was accounted of THB 421.85 million and THB 498.14 million, respectively, which represented the increase of THB +76.29 million, or +18.08%. The massive surge in revenue was mainly attributed to the rising revenue from wire and cable segments. The revenue of Wire & Cable PVC was outperformed with the growth of THB + 118.68 million or +51.84 % compared to the same period of 1H/2025 driven by a strong demand on PVC compound for wire & cable products in Q2/2026. However, the revenue from pharmaceutical graded compound products to be used for medical applications such as blood infusion tube, blooding bag sold to our partner, Showa Global (Thailand) Co., Ltd. has decreased for THB (42.51) million; or dropped for (33.03%) from last year, respectively. Besides, our revenue from General Grade PVC increased for THB +0.13 million, or went up of +0.20% from its revenue in 1H/2025. The details of revenue breakdown by product categories are classified as below;

Table 3 : Revenue breakdown by Business – for the six-month period ending June 30

Revenue of Business	For the three-month period					
	Jan-Jun 2025		Jan-Jun 2026		Increase (decrease)	
	MB	%	MB	%	MB	%
Wire and Cable PVC	228.93	54.27	347.61	69.78	118.68	51.84
General Grade PVC	64.20	15.22	64.33	12.91	0.13	0.20
Medical Graded PVC	128.72	30.51	86.21	17.31	(42.51)	(33.03)
Total Revenue	**421.85**	**100.00**	**498.14**	**100.00**	**76.29**	**18.08**

In terms of main customer types by industry, approximately 78.38% 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. PVC Compound revenue, following by pharmaceutical graded PVC for 17.31% of its total revenue. The rest of 4.27% was attributed to other industries.

Table 4 : Revenue by Industry – for the six-month *period ending June 30*

Revenue by Industry	For the three-month period				For the six-month period			
	Apr-Jun 2025		Apr-Jun 2026		Jan-Jun 2025		Jan-June 2026	
	MB	%	MB	%	MB	%	MB	%
Real Estate and Construction	114.39	61.90	221.21	79.65	278.90	66.11	390.44	78.38
Pharmaceutical products	63.09	34.14	47.06	16.94	128.72	30.51	86.21	17.31
Automotives	0.24	0.13	0.22	0.08	0.47	0.11	0.22	0.04
Others	7.09	3.83	9.25	3.33	13.76	3.26	21.27	4.27
Total Revenue	**184.80**	**100.00**	**277.73**	**100.00**	**421.85**	**100.00**	**498.14**	**100.00**

Cost of Sales and Gross Profit

In the 1H/2025 and 1H/2026, cost of sales increased from THB 363.96 million to THB 382.31 million, respectively. Overall, gross margin of our Plastic Compound products has been increasing as the overall material costs and petrochemical materials has been stabilized from the slower demand at the beginning of Q1/2026 before the middle east conflict driven the supply pressures on petrochemical products, chemical substances, and oil and energy shortage. The geopolitical conflicts in the middle east caused supply chain disruption that has led to the sharp rising in crude oil price, transportation expenses and energy costs from the late Q1/2026. With the price adjustment in accordance with these rising material costs and the benefits of productivity improvement from the same period of last year have led our gross margin from Wire & Cable PVC significantly increased. Therefore, our gross profit increased from THB 57.89 million, or 13.72% in 1H/2025 to THB 115.84 million, or 23.25% in 1H/2026, respectively. The following table indicates the breakdown of cost of sales by business segment.

Table 5 : Cost of sales and Gross Profit

Cost of sales and Gross Profit	Jan-Jun 2025 MB	Jan-Jun 2026 MB
Cost of Sales : Plastic Compound Business	363.96	382.31
Gross Profit : Plastic Compound Business	57.89	115.84
Gross Profit Margin (%)	**13.72%**	**23.25%**

Overall performance, gross margin of plastic compound business significantly improved in 1H/2026 caused by lower major material costs of production, including PVC Resin and Plasticizers to be used as additive solutions, has been stable in Q1/2026 before rising up in Q2/2026 due to supply tension from geopolitical conflicts in the middle-east. However, ADB can manage production costs effectively and communicate clearly with customers on adding buffers to cover sudden spike of petrochemical costs. As a results, our gross profit remained strong in 1H/2026 compared to the same period of last year.

Selling & Administrative Expenses

Total selling and administrative expenses in 1H/2026 increased THB +15.25 million, or +27.40% from 1H/2025. The increase in selling and administrative costs was mainly due to the following reasons;

Table 6 : Selling & Administrative Expenses

Selling & Administrative Expenses	Jan-Jun 2025		Jan-Jun 2026		Increase (decrease)	
	MB	%	MB	%	MB	%
Selling Expenses	17.62	31.66	20.05	28.28	2.43	13.79
Administrative Expenses	38.04	68.34	50.86	71.72	12.82	33.70
Selling & Administrative Expenses	**55.66**	**100.00**	**70.91**	**100.00**	**15.25**	**27.40**

Selling Expenses

Total selling expenses increased THB +2.43 million or +13.79% from THB 17.62 million to THB 20.05 million. The increase of selling expenses was primarily due to the increase of sales revenue from domestic customers and gasoline price, leading the higher transportation expenses in local logistics activities associated with the increase in sales volume. In addition, higher commissions were paid to sales person and sales team in accordance with the increasing in sales revenue.

Administrative Expenses

Total administrative expenses for 1H/2026 increased to THB 50.86 million from THB 38.04 million during the same period of last year or increased of THB +12.82 million, or +33.70% of 1H/2025. The Company recognized allowance for doubtful accounts from an oversea customer for the total of THB 3.2 million during 1H/2026. Currently, we are follow up the payment settlement closely with our customer.

Finance Costs

When compared to the finance costs between 1H/2025 and 1H/2026, total finance costs decreased from THB 4.31 million to THB 1.62 million, respectively. A decrease of finance costs for THB (2.69) million or (62.41%) 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 as ADB has utilized less working capital needs for operations.

Net Profit

The Company had net profit for 1H/2026 for THB 58.52 million from THB 15.14 million of 1H/2025. 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. Although the company has been experiencing supply tension from geopolitical conflicts in the middle-east. However, ADB can manage production costs effectively and communicate clearly with customers on adding buffers to cover sudden spike of petrochemical costs. Therefore, ADB and its subsidiary has net profit from Plastic Compound segment for THB 39.41 million. Additionally, ADB has gained from share of profit of associate accounted for using equity method from ADBS for THB 19.68 million during 1H/2026 in our consolidated income. As a result, our consolidated net profit was at THB 58.52 million in 1H/2026.

Financial Position

Total Assets

As at December 31, 2025 and June 30, 2026, the Company had total assets of THB 919.83 million and THB 1,068.92 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 365.04 million and THB 452.36 million and non-current assets for THB 554.79 million and THB 616.55 million, respectively.

Significant changes in assets during the 2nd Quarter of 2026 are summarized below;

1. Current Assets

   Cash and cash equivalents as at December 31, 2025, and June 30, 2026, the overall cash and cash equivalents decrease of THB (0.15) million was attribute to the 3 major transactions, operating activities, investment activities and financing activities. During 1H/2026, our net cash flow were received from operating activities for THB +1.50 million. Therefore, ADB had net cash inflow before changes in operating assets for THB 73.78 million. The major changes in operating assets and liabilities were mainly attributed to the increase of accounts receivable for THB (82.46) million, the increase of inventory for THB (42.86) million, the increase of accounts payable for THB +52.88 million. The changes of these operating assets derived from the higher sales turnover and more materials acquired for productions in the following periods. In investing activities, the cash has also been used for the investment of fixed assets for THB (26.79) million. In financing activities, the company has net cashflow received from financing activities for THB +24.94 million mostly from the short-term bank loans for THB +49.51 million and the payment proceeded to the dividend payment to shareholders for THB (21.78) million during Q2/2026.

- *Trade accounts receivable* as at December 31, 2025, and June 30, 2026, trade accounts receivable and other receivable have total 261.07 increase of THB +78.91 million compared to our revenue in 1H/2025. Our accounts receivable was classified as the following table;

	For the period ended	
Unit (MB)	**31 December 2025**	**30 June 2026**
Related parties	0.11	0.12
Other receivables	184.59	266.86
Total Receivables	184.70	266.97
Less allowance for doubtful accounts	(2.54)	(5.90)
Net Accounts Receivable	**182.16**	**261.07**

  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 108 days as at 1H/2025 to 88 days as at 1H/2026 due to closely credit monitoring process to be within the normal credit terms.

- *Inventories* as at December 31, 2025, and June 30, 2026, an increase in inventory of THB +42.26 million from THB 99.09 million to THB 141.35 million was primarily the result of our materials to be reserved for our customers' orders during the following period. As our Wire & Cable PVC segment had higher sales turnover during Q2/2026, ADB acquired more materials to be reserved for production to avoid tighten supply.

	For the period ended	
Unit (MB)	**31 December 2025**	**30 June 2026**
Finished goods	40.76	51.08
Raw materials	40.02	64.91
Work in process	0.01	0.01
Factory supplies	7.60	8.58
Goods in transit	14.99	21.65
Allowance for decline in value	(4.29)	(4.89)
Net Total	**99.09**	**141.35**

2. Non-current Assets
   - *Property, plant and equipment* as at December 31, 2025 and June 30, 2026, the Company had total plant and equipment of THB 205.95 million as the Company has been setting up the new production lines for Wire & Cable business.

Total Liabilities & Shareholders' Equity

As at December 31, 2025 and June 30, 2026, the Company had total liabilities of THB 272.04 million and THB 384.37 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 647.79 million and THB 684.54 million, respectively. At the end of the 1H/2026, 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 96.69 million and other component of shareholders' equity of THB 0.02 million.

Significant changes in liabilities and shareholders' equity during the 2nd Quarter of 2026 are summarized below;

1. Current Liabilities
   - *Short-term borrowings from financial institutions* as at December 31, 2025, and June 30, 2026, a increase in short-term loan of THB +49.51 million was the result of more materials purchased and during 1H/2026.

   - *Trade accounts payable* as at December 31, 2025, and June 30, 2026, a increase in accounts payable of THB +52.12 million was mainly due to the increase in oversea accounts payable. During 1H/26, the average accounts payable period decreased from 75 days as at 1H/2025 to 59 days as at 1H/2026.

2. Non-current liabilities

As at June 30, 2026, the Company's non-current liabilities consisted of lease liabilities for THB 10.41 million. However, we accrued non-current provisions for employee benefit of THB 27.09 million with the reference of the actuarial report from the actuarial experts.

3. Shareholders' equity

As at June 30, 2026, the Company's shareholders' equity of THB 684.54or an increase of THB +36.75 million, was the results of net profit from operation during 1H/2026. During Q2/2026, ADB already paid cash dividend to shareholders at THB 0.03/share for the total of THB (21.77) million.

Financial Ratio Analysis

Table 7 : Key Financial Ratios

Financial Ratio	Unit	For the year ended 31 Dec 25	For 3 months Ended 30 Jun 25	For 3 months Ended 31 Mar 26	For 3 months Ended 30 Jun 26	For 6 months Ended 30 Jun 25	For 6 months Ended 30 Jun 26
Liquidity Ratio							
Current Ratio	Times	1.56	1.40	1.38	1.30	1.40	1.30
Collection Period	days	94	108	85	92	109	88
Inventory Period	days	59	89	51	59	83	59
Accounts Payable Period	days	60	78	60	69	75	59
Profitability Ratio							
Gross Profit Margin	%	14.09	11.85	18.75	26.83	13.72	23.25
Net Profit Margin	%	3.28	2.27	7.73	14.70	3.53	11.62
Return On Equity	%	4.32	2.67	5.19	10.53	2.69	10.67
Turnover Ratio							
Return on Assets	%	2.81	1.60	3.60	6.97	1.65	7.15
Asset Turnover	Times	0.86	0.69	0.86	0.89	0.71	0.91
Financial Policy							
Debt to Equity	Times	0.42	0.61	0.46	0.56	0.61	0.56
Interest Coverage Ratio	Tunes	3.57	0.21	3.05	17.16	0.21	17.58

1. Current Ratio

As at June 30, 2026, our liquidity ratio decreased from 1.40 times in 1H/2025 to 1.30 times in 1H/2026. For Liquidity management, the collection period reduced from 109 days in 1H/2025 to 88 days in 1H/2026 due to the closely credit-term monitoring process. For inventory turnover, our inventory period dropped from 83 days in 1H/2025 to 59 days in 1H/2026 as a result of the sharp increase in sales turnover in Q2/2026. Our accounts payable days also decreased from 75 days to 59 days in 1H/2026.

2. Profitability Ratio

The Company gross profit margin increased significantly from 13.72% to 23.25%. Although ADB has been experiencing an increase in chemical materials, PVC resin, and plasticizers to be used for our production process. That impact derives from the results of the supply tension from geopolitical conflicts in the middle-east, leading to the sharp rising in crude oil price, transportation expenses and energy costs from the late Q1/2026. However, we are able to adjust the price in response to the uprising of those materials for production with an appropriate buffer to cover the spike of production costs during the 1st Half of 2026. In addition, Our Wire & Cable PVC segment has benefits of productivity improvement from the same period of last year and benefits from the lower production costs per unit during 1H/2026. Although our SG&A expenses increased from administrative expenses associated to our staffs and employees and the accrual of allowance for doubtful accounts from a customer payment, our net profit margin increased to 11.62 in 1H/2026 from strong gross margin received from our core compound products and the profit of associate accounted for using equity method of ADBS. These better NPM led to the increase of Return on Equity to 10.67% in 1H/2026.

3. Turnover Ratio

As at June 30, 2026, the Company return on assets was rebound from 1.65% in 1H/2025 to 7.15% in 1H/2026. However, our asset turnover increased from 0.71 times to 0.91 times in 1H/2026 due to better sales turnover of Plastic Compound Business especially from Wire & Cable segment that had impact from higher sales turnover in Q2/2026.

4. Financial Policy

As at June 30, 2026, our debt-to-equity ratio significantly decreased from 0.61 times in 1H/2025 to 0.56 times in 1H/2026 due to better control of working capital to be used for operations. With the rising EBIT of consolidated report, our interest coverage ratio increased from 0.21 times to 17.58 times.

Please be informed accordingly.

บริษัท แอ็พพลาย ดีบี จำกัด (มหาชน)
ADB
Applied DB Public Company Limited

Yours Sincerely,

(Mr.Wang Wanapaison)
Chief Executive Officer

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