



PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED

PATO

IIUU 56-1 One Report

2025

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Financial Hilight

	Consolidated					Separated				
Unit : Thousand Baht	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
Total Sales	483,830	627,445	593,217	447,010	645,843	471,831	611,236	577,159	441,148	624,969
Total Revenues	491,083	633,999	597,703	444,484	649,922	482,880	623,789	586,349	442,184	638,182
Gross Profit (Loss)	145,993	177,490	156,523	121,313	217,388	139,293	168,794	148,527	116,800	204,340
Net Profit (Loss)	64,884	85,948	70,838	44,918	118,695	64,647	85,835	69,980	45,562	118,036
Total Assets	542,095	633,606	568,302	579,796	685,620	536,449	626,171	563,250	576,360	680,514
Total Liabilities	64,930	133,002	74,191	83,790	113,729	62,157	128,202	71,661	82,018	110,931
Total Equity	477,165	500,604	494,111	496,006	571,891	474,292	497,969	491,589	494,342	569,583
Net Profit (Loss) Margin (%)	13.21	13.56	11.85	10.11	18.26	13.39	13.76	11.93	10.30	18.50
Return on Equity (%)	13.27	17.28	14.31	8.41	21.69	13.30	17.35	14.20	8.56	21.65
Return on Total Assets (%)	11.04	14.30	12.34	7.10	18.34	11.12	14.43	12.28	7.25	18.36
Earning Per Share (Baht)	0.46	0.60	0.50	0.32	0.83	0.45	0.60	0.49	0.32	0.83
Dividend Per Share (Baht)	0.45	0.60	0.50	0.32	0.82	0.45	0.60	0.50	0.32	0.82
Pay Out Ratio (%)	98.74	99.39	100.49	129.95	98.36	99.10	99.52	101.72	128.12	98.91
Book Value (Baht)	3.52	3.52	3.47	3.48	4.02	3.33	3.50	3.45	3.47	4.00





Business Operations and Performance



1. Company Structure and Business Operation

1.1 Policies and Business Overview

Pato Chemical Industry PCL. was established on 6 October 1972 to be Importer, formulator, repacker, and distributor of herbicide, insecticide, acaricide, molluscicide, fungicide, and plant growth regulator in liquid, powder, and granule form for use in rice, plantation crops, fruit orchards, vegetables, and livestock having a factory located in Bangpoo Industrial Estate with over 330 dealers, wholesalers, and repackers as our distribution channels in every region of Thailand currently. And in 2011, Pato has invested 99.99% stake in Pato Crop Care Co., Ltd.

The Company is the importer, formulator, and distributor of pesticide which can be divided into 2 major types of imports as follows:

Major Type of Imports:

1. **Technical Grade (TG):** is a concentrated chemicals which are used in formulations to produce final products according to the specified formulas.

2. **Finished Product (FP):** is the product ready for use. Most of the imported FP is in liquid and solid form in bulk sizes. Therefore, repackaging is needed before distribution. About 80% of the Company's imported products are TG for formulation at the factory before distribution resulted in lower cost of raw material as compared with other competitors who import finished product for repackaging. TG has longer shelf-life than FP and can be formulated according to the requirements which is more suitable for the environment.

Agrochemical in the market can be in many forms e.g. liquid, powder, and granule for safety in moving and storing. In the production process, there are 2 main ingredients in agrochemical; active and inert ingredients. "Active Ingredients" are chemical substance called by its chemical names for different uses of purposes. "Inert Ingredients" are substance to combine with the active chemical to make it in the forms suitable for different types for uses such as solvents, carriers, surfactants, emulsifiers, or any other substance which are added for special purpose called "Special Additives".

PATO submits documents for registration to the Department of Agriculture and as of December 31, 2025 PATO has been granted with 87 import registration and manufacturing and selling licenses for 219 trade names.



Pato Crop Care Co., Ltd.

The Company is the importer, formulator, and distributor of pesticide under Global logo Pato Crop Care by planning to import chemical pesticide in 2 forms as follows:

Major Type of Imports:

1. **Technical Grade (TG)** which is a concentrated chemicals which are used in formulations to produce final products according to the specified formulas.
2. **Finished Product (FP)**

The policies established the Company is to help the core business, Pato Chemical Industry PCL. to be more flexible. According to the Hazardous Substances Act (No.3) BE 2551 effective on February 25, 2008 has set a restriction on the number of trade name for 1 product registered to only 3 trade names which does not meet the demand of customers.

Production plant is located in Bangpoo Industrial Estate. Pato Crop Care rents building and machinery of Building no. 5 and 6 of Pato Chemical Industry PCL. to use as office, formulating plant and warehouse. Annual capacity will be 16,500 Mts. for granule pesticide, 3,300 Mts. for liquid pesticide, and 1,650 Mts. for powder pesticide. Pato Crop Care submits documents for registration to the Department of Agriculture and as of December 31, 2025 Pato Crop Care has been granted with 3 import registration and manufacturing and selling licenses for 55 trade names.

1.1.1 Vision

“Food Security and Sustainable Agriculture through Crop Protection”

The Board of Directors ensures that the main objectives and goals of the business are to promote agricultural sustainability. The world’s population has enough crops for consumption which are objectives and goals that are consistent with creating value for the business, customers, and society as a whole.

Objective

1. A manufacturer and distributor of agricultural chemicals of effective prevention and pest control with fair price to help Thai farmers.
2. Stabilize the Company’s performance without abandoning social work and environmental protection.
3. Being a part to create food security that leads Thailand to be the leading exporter of quality agricultural products and feed the world sufficiently.
4. Operate under the principles of anti-corruption and prevent human rights violations

The Board should ensure that the Company’s medium-term and annual objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively and safely.

The Company has set long – term achievements are as follows:

- Become a quality manufacturer and distributor of chemical agricultural products in an international level with appropriate innovation and technology that is harmless to the environment and fair to the buyers.
- Maintain the leadership of manufacturing and merchandising chemical agricultural products related to rice fields and minimize the business risk through diversification to capture other chemical agriculture market covering farm crops, fruits, ornamental plants, and vegetables.
- Sustain the growth rate of no less than 8% per annum with every – year higher dividend yield given than other average companies listed in the stock market.
- Target sales reach 800 million baht by 2032

1.1.2 Major Changes and Development

Pato went public and changed its name to PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED in October 1993 then continued to sell its ordinary stocks for 3,000,000 shares at Baht 55 per share, valued at Baht 10 per share in July 1995. PATO increased its capital to Baht 140 million and the Company has been listed in the Stock Exchange of Thailand in August 1995.

- In 2009** – Resolution of shareholders’ meeting approved share split from 10 baht per share to 1 baht per share. The ordinary shares of the Company were then 140,000,000 shares.
- In 2011** – Investment in a new company “Pato Crop Care Co., Ltd.” The registered capital is 5 million baht for 1 million ordinary shares with the par value of 5 baht per share.
 - Pato received SET Awards for Outstanding Company Performance 2011.
- In 2012** – At the extraordinary shareholder’s meeting No.1/2012, the shareholders passed the resolution to allocate the ESOP warrants of 2,800,000 units to the executives and employees of the Company. Registered capital increased to 142.8 million baht with 140 million baht paid – up capital and 142.8 million shares to support the exercise of warrant in 2015
 - Pato has been awarded its second consecutive year of SET Awards for Outstanding Company Performance 2012.
- In 2014** – Pato has been awarded its third consecutive year of SET Awards for Outstanding Company Performance and Best Company Performance Awards for the first time.
- In 2015** – Registered and paid up capital decreased to 142,372,000 shares in accordance with ESOP right exercised.
- In 2016** – Pato declared an intention to join Thailand’s Private Sector Collective Action against Corruption (CAC).
- In 2017** – Pato had been awarded its forth SET Awards for Outstanding Company Performance.
- In 2018** – Pato had been a certificate from Thailand’s Private Sector Collective Action against Corruption (CAC).



- Pato had been awarded its fifth SET Awards for Outstanding Company Performance and Best Company Performance awards for the second time.
- In 2020** - The Thai Private Sector Collective Action Coalition against Corruption resolved to extend the certification for the first time of Pato Chemical Industries Public Company Limited, effective from December 31, 2020 until December 31, 2023.
- In 2021** - Pato Chemical Industry Public Co., Ltd. and Pato Crop Care Co., Ltd. have been certified by ISO 1900 : 2015 and ISO 14001 : 2015
- In 2022** - Pato had been awarded its sixth SET Awards for Outstanding Company Performance.
- In 2023** - The Thai Private Sector Collective Action Coalition against Corruption (CAC) resolved to extend the certification for the second time of Pato Chemical Industries Public Company Limited, effective from December 31, 2023 until December 31, 2026.
- In 2024** - Pato Chemical Industry Public Company Limited has been approved for the first time as a Qualified Formulator of Agricultural Chemical, recognized for legal compliance and responsibility toward consumer health, environment, and society. The certificate is effective from September 24, 2024 to September 23, 2027.



Major Changes and Development in 2025

March 2025	- Received a Certificate of Upgrading Entrepreneurs in the Agricultural Chemicals (Q-Factory) from the Department of Agriculture, recognized as conducting business with legal compliance and with responsibility towards consumer health, environment, society, and serving as a model for hazardous substance manufacturer.
April 2025	- AGM of Shareholders 1/2025 where the meeting approved to pay dividend payment for the 2024 performance at 0.60 baht per share. - Approved the appointment of Dr. Nuansri Tayaputch as an additional Independent Director to fill the vacancy. - Appointed Ms. Nongram Laocha-areedilok Registration No. 4334 or Ms. Sunanta Kumsuk Registration No. 8207 or Ms. Phakamon Laocha-areedilok Registration No. 11499 from AST Master Co., Ltd. to be the Company's auditor for 2025.
May 2025	- Paid dividend for the 2024 performance at 0.60 baht per share. - Participate with CAC in “Do Good - Do Right - Fight Corruption” project.
November 2025	The Board of Directors approved the Audit Committee Charter.

Development of major shareholders

from 30 December 2022 – 30 December 2025

Shareholders	Nationality	Number of Share As of 30/12/22	Percentage	Number of Share As of 28/12/23	Percentage	Number of Share As of 30/12/24	Percentage	Number of Share As of 30/12/25	Percentage
1. Trillit Group	Thai	50,100,000	35.19	50,100,000	35.19	50,100,000	35.19	50,100,000	35.19
2. Pojanalai Group	Thai	16,500,000	11.59	16,500,000	11.59	16,500,000	11.59	16,500,000	11.59
3. Wesaratchawest Group	Thai	5,760,466	4.05	5,700,966	4.00	6,066,866	4.26	6,321,066	4.44
4. Cheongwiwatkit Group	Thai	9,061,850	6.36	9,061,850	6.36	9,061,850	6.36	9,061,850	6.36
5. Others		60,949,684	42.81	61,009,184	42.85	60,643,284	42.60	60,389,084	42.42
Total		142,372,000	100	142,372,000	100	142,372,000	100	142,372,000	100
Paid up Capital (Million baht)		142.37		142.37		142.37		142.37	
Registered Capital (Million baht)		142.37		142.37		142.37		142.37	
Par (baht)		1.00		1.00		1.00		1.00	

1.1.3 Use of New Funding : None

1.1.4 Commitments undertaken by the Company (if any) : None



1.1.5 General Information and Other Significant Information

General Information

Pato Chemical Industry Public Co., Ltd.

Full Company Name	:	PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED (PATO)
Core business	:	Manufacturer and distributor of Agrochemical products
Registration No.	:	0107536001214
Head office	:	Pato Building 3388 New Petchburi Road, Bangkok, Huaykwang, Bangkok 10310
Tel	:	0 2318 5612-19, 0 2318 0360-9
Fax	:	0 2318 0367
Email Address	:	parichart.m@pato.co.th, kanokwan.m@pato.co.th
Independent Directors	:	auditcom.p@pato.co.th
Factory	:	569 Bangpoo Industrial Estate, Soi 12 Patana 3 Road, Praksa Sub-district, Muang District, Samutprakarn
Tel	:	02 324 0890 - 1
Fax	:	02 324 0187
Website for Shareholders	:	www.patochemical.com
Registered capital	:	142,372,000.00 Baht (One Hundred Forty Two Million Three Hundred Seventy Two Thousand Baht)
Paid up Capital	:	142,372,000 Baht (One Hundred Forty Two Million Three Hundred Seventy Two Thousand Baht)
Total share	:	142,372,000 Shares (One Hundred Forty Two Million Three Hundred Seventy Two Thousand Shares)
Par value per share	:	1 Baht

Legal entity of which the Company holds more than 10% of shares

Name	:	Pato Crop Care Co., Ltd.
Office and Factory	:	569/1 Bangpoo Industrial Estate, Soi 12 Patana 3 Road, Praksa Sub-district, Muang District, Samutprakarn
Registration No.	:	0115554017320
Tel	:	0 2324 0890-1
Fax	:	0 2324 0187
Type of Business	:	Manufacturer and distributor of Agrochemical products.
Registered and paid capital	:	5 million baht of total 1 million shares. Par value 5 baht per share. Pato's stake in Pato Crop Care 99.99 %

Other References

Registrar : Thailand Securities Depository Co., Ltd.

Auditor : Ms. Nongram Laoha-Areedilok Registration No. 4334 or
Ms. Sunanta Kumsuk Registration No. 8207 or
Ms. Phakamon Laoha-Areedilok Registration No. 11499

AST Master Co., Ltd.
790/12 Thonglor Tower Soi Thonglor 18
Sukhumvit 55, Klongtoey, Bangkok 10110

Tel : 02 185 0342, 02 714 8842

Fax : 02 185 0225

Legal Advisor: : Rompoh Law Office
719/86 Moo 10 Petkasem Road, Nongkam, Bangkok 10160

Tel : 02 812 1756, 081 494 9224

1.1.5.1 Other Significant Information

None

1.1.5.2 Legal Disputes

None

1.1.5.3 Secondary Market

None

1.1.5.4 Financial institutions of constant contact

(In case of debt securities issuance)

None



1.2 Type of Business

1.2.1 Revenue Structure(Consolidated)

	2023		2024		2025	
	MilBaht	%		%	MilBaht	%
Local Sales by Products						
Product Line 1						
Insecticide	155.40	25.81	169.02	26.65	132.27	27.15
Herbicide	268.51	44.59	270.33	42.62	200.68	41.19
Fungicide	102.90	17.09	123.23	19.43	95.76	19.66
Acaricide	47.03	7.81	41.87	6.60	34.48	7.08
Other	28.33	4.70	29.81	4.70	23.98	4.92
Total Local Sale	602.17	100.00	634.26	100.00	487.17	100.00
Export Sales by Products						
Product Line 1						
Insecticide	-	-	-	-		
Herbicide	-	-	-	-		
Fungicide	-	-	-	-		
Acaricide	-	-	-	-		
Other	-	-	-	-		
Total Export sales	-	-	-	-		
Local & Export Sales						
Product Line 1						
Insecticide	155.40	25.81	169.02	26.65	132.27	27.15
Herbicide	268.51	44.59	270.33	42.62	200.68	41.19
Fungicide	102.90	17.09	123.23	19.43	95.76	19.66
Acaricide	47.03	7.81	41.87	6.60	34.48	7.08
Other	28.33	4.70	29.81	4.70	23.98	4.92
Total Local & Export sales	602.17	100.00	634.26	100.00	487.17	100.00
Less returned & Discount	(8.95)	1.49	(6.82)	1.08	(3.34)	0.69
Net Sales	593.22	99.45	627.44	99.94	483.83	99.46
Contractor	-	-	-	-	-	-
Other Income	3.29	0.55	0.35	0.06	2.64	0.54
Total Revenue	596.51	100.00	627.79	100.00	486.47	100.00

1.2.2 Product Characteristic

(1) Product line or Service and Business Innovation Development

In general, there are 2 major types of agrochemical (from business aspect)

1. Specialty product: this is proprietary product belonging to a particular company which has the patent right to produce and distribute it. An agreement of contract with Manufacturers' is needed as the products are of complicated formulation to achieve efficient products to meet market demand and receive brand loyalty.

2. Commodity product: this is generic product commonly sold and distributed by many companies. Commodity product can be imported from many manufacturers around the world. It is usually imported in the form of technical grade and then formulated into finished products. Due to price competition, import of finished products is less than import of technical for formulation. Since there is no significant difference in the quality and price, brand loyalty and image are very important factors for commodity products.

Products by types of 2025

	Specialty Products	Commodity Products	Total
Technical Grade	8	26	34
Finished Products	9	33	42
Total	17	59	76
Total Value (Million Baht)	253.30	220.55	473.85

The proportion in terms of the value of imported specialty to commodity products in Thailand is 35 : 65. For Pato Chemical Industry PCL., this proportion is about 53 : 47 in 2025. Among all pesticide products used by Thai farmers, herbicides have the highest import volume followed by insecticides. In the past, most herbicide was imported in the form of finished products more than in form of technical grade and vice versa for insecticides. At present, however, the market situation has changed. More and more herbicides are now imported in the form of technical grade due to the increase demand and emphasis of farmers on herbicides. Farmers are now more conscious about weeds, which naturally grow along with the crops, and take away some of the essential water and nutrition leaving a lowered crop yield. Herbicide usage is now more frequent and consequently the total herbicide usage grew.

From the manufacturers' aspect, herbicide can be produced and distributed in almost all season despite some uncooperative weather and climate condition. In severe poor weather condition, such as drought, herbicide are salable compared to insecticide sales, which is considered more risky. The reason for increasing imports of herbicide technical grade is because farmers demand the less expensive locally formulated herbicide in order to reduce their cost to cope with fluctuations in their crop prices. Since there is no significant quality difference between imported finished products and locally formulated ones, price

is the main concern for farmers when they decide on purchases. On the other hand, in the production side, companies need to be concerned not only about the country's principal crops, but also the geographic suitability for different types of crop. Moreover, companies are concerned with the efficiency, productivity, and environmental impacts of their production facility. Sales breakdown by region as compared to total sales of the Company during 2022 - 2025 is as follows:

Proportion of sales breakdown by region

Region	2022	2023	2024	2025
Central	72%	71%	73%	72%
North	11%	11%	11%	11%
West	3%	3%	2%	2%
East	6%	7%	7%	7%
Northeast	5%	5%	4%	5%
South	3%	3%	3%	3%
Total	100%	100%	100%	100%

Type of Pesticides Distributed in Thailand

1. **Wettable Powder (WP), Water Dispersible Granule (WG)** is the combination of active ingredients, carriers or diluents such as white clay, talc, or other substance, including surface active ingredients such as wetting agents, dispersing agents.

2. **Emulsifiable Concentrate (EC)** is the combination of active ingredients with non-water miscible solvents and emulsifier for water soluble which will also help the chemical to stick on the leaf or insect's body.

3. **Soluble Liquid Concentrate (SL)** will look like emulsion and are classified in the same type. This type of pesticide is the combination of active ingredients and water miscible solvent without emulsifier.

4. **Suspension Concentrate (SC) or Flowable Formulation (FL)** is the combination of well ground active ingredients and the carriers, e.g., white clay, and liquid inert ingredients. This F or For FL will be able to dissolve in water better than the water dispersible powder, thus, making it more convenient to use. Special additives could be added during the production process to make this pesticide more soluble.

5. **Water Soluble Powder (SP)** is the combination of water soluble active ingredients in powder, or fine flake, form mixed with surface active agents or other additives or solvents to make chemical well dispersed. It will dissolve in water instantly and with no precipitation.

6. **Dust (D)** is the combination of well ground active ingredients and inert ingredient will be the carrier to dilute for lower percentage of active ingredient. This type of pesticide can be sprayed with the knapsack sprayer.

7. **Granule (GR)** is the type of pesticide similar to powder form, the difference is that the grain size is larger. It is made up of carriers or other ingredients such as sand coated with active ingredients. This type of formulation is made for easy direct broadcast and soil burial.

Pato Chemical Industry PCL. formulates pesticide in following form; Emulsifiable Concentrate (EC), Soluble Liquid Concentrate (SL), Water Soluble Powder (SP), Granule (GR), Dust (D).

Pato Chemical Industry PCL. has the highest capacity of granule pesticide in the country with production capacity of 35,700 tons per year. In 2025, the Company manufactured 5,426 tons of granule pesticide.

The percentage breakdown in terms of the Company's import volume for the different types of agro-chemical are as follows:

- Insecticide accounted for 25% of total import volume.
- Herbicide accounted for 60% of total import volume.
- Other pesticide such as Fungicide, Acaricide, Rodenticide, Molluscicide, and plant hormones accounted for 15% of total import volume.

In 2025, sales contribution of those three types of products as Herbicide, Insecticide and other products were 41 %: 32%: 27% respectively.

Proportion of Sales of Product Breakdown by Crop and Planting Area

Crop	Area	Percentage
1. Rice	North, Central, North-East, South (some provinces)	73
2. Fruit	Central, East (Rayong, Chantaburi, Trad, Chacheongsao) North (Chiangmai, Chiangrai, Kampanget) South (Suratthani)	22
3. Vegetable	Central, North, and North - East	2
4. Plantation Crops such as Corn, Soy Bean, Sugar- cane, Cotton and Cassava	Central, South, North, and North - East	2
5. Oil Palm, Para Rubber	South, East, and North-East	1

Source: Marketing Department: Pato Chemical Industry PCL.

(2) Marketing and Competition

Market strategies :

The Company's competitive advantages are

1. Standard quality of product which is well accepted by the customers for more than 40 years.
2. Strategy to specify products for sale by each dealer: Aside from its financial status, the Company will limit the products to be distributed by each dealer to prevent price cutting of the Company's products among its dealers in the same area.
3. Price advantage as the Company will produce from technical grade chemical.
4. Good relationship with dealers.
5. Fast delivery: within the 300 kilometer radius the Company will provide delivery. Dealers outside the radius, the Company may deliver depending on order amount. Agrochemical industry pay much importance on prompt delivery. In each particular season, the Company will have prompt delivery to meet the demand in time. For example, production and distribution of herbicide should be able to meet the demand during rainy season while insecticide should be able to be delivered promptly during the insects' outbreak season.
6. Pato distributes totaling 78 various products, consequently the Company will be able to share more market in more planting area for various crops such as rice, fruit, vegetable, Para rubber, palm oil and many others. This will reduce risk from natural disaster. Performance of the Company will then be as we has expected for.

Distribution Channel

There are 3 main of distribution channels:

1. Distributors: They are mostly in Bangkok and distribute products under their own brand to dealers. They have Pato formulated, packed under distributors' registered label and brand.

2. Local Repackers: They are packaging companies who purchase the products from producer to repackage and distribute under their own brand. These companies will register the pesticide by themselves by getting the authorization certificate from the formulator/manufacturer.

3. Dealers or Free Market: They are small dealers or retailers in the upcountry and some in Bangkok who sell pesticides to the end users under Pato Globe Trade Mark.

Sales contribution for Distributors: Local Repackers: Dealers currently is 20 : 8 : 72 respectively.

Types of Customers and its Relationships

In the pesticide industry, there are 2 main markets; general customers market (Free market) which is bigger, and markets for distributors and market for local repackers which is less important respectively. The Company emphasizes in customers in rural area. By thorough selection of dealer for each particular area will sell different products to avoid competition. In doing so, the Company will be able to sell variety of products and to reduce the risk of distributor's business. However, the Company still needs to check its relationship with the customers to avoid any possible problems. The Company aims to develop new products and variety, and, at the same time, aims to distribute the information on proper and efficient use of all pesticides to customers.

Criteria for selection of dealer for each are:

1. Financial status
2. Sales network and its coverage
3. No conflict agreement to sell the same product of different producers
4. Strong intention to commit to the Company's products

Product Distribution of Pato Chemical Industry PCL. in 2022 - 2025

Area	2022		2023		2024		2025	
	Number of Customers	Total Sale Thousand Baht	Number of Customers	Total Sale Thousand Baht	Number of Customers	Total Sale Thousand Baht	Number of Customers	Total Sale Thousand Baht
1. DISTRIBUTORS	6	69.13	8	117.28	8	124.25	9	96.59
2. LOCAL REPACKERS	5	35.36	5	40.41	5	45.72	5	36.87
3. FREE MARKET	332	335.08	333	428.06	334	445.79	336	340.39
Total	343	439.57	346	585.75	347	615.76	350	473.85

Percentage of 10 Major Customers in 2022 - 2025

(Unit : %)

Customers	2022	2023	2024	2025
10 Major Customers	43.30	44.28	42.13	40.24
Others	56.70	55.72	57.87	59.76
Total	100	100	100	100

Note : There is no customer whose accounts is of greater than 10%. Most customers are of long connection and of good payment. However, new customer is strictly selected to avoid bad debt.

Pricing Policy

In general, the Company will set the price at the level, which is slightly higher than average price of its local competitors and slightly lower than average price of the international market, of the same product. Other factors for the price consideration are:

1. If the product already exists in the market, the Company will set its price within that product market price range.
2. If the product does not yet exist in the market, the Company will conduct research on quality; the amount used and instruction for use to determine the efficacy of its product to determine the price in comparison with the pesticide farmers are currently using.

Competition

There are 2 major types of chemical pesticide companies:

1. Multinational Companies These companies have their own products or buy few products from other companies. Most of them, either, imports finished products for repackaging by local repackers, or import technical grades for resell to local companies. There are about 8 multinational companies in Thailand.

2. Local Companies There are 3 groups as follows:

2.1 Formulators and distributors: These companies have their own factory for formulating and reprocessing, and their own sales and promotion team. Most of them imports technical grade products. There are about 65 companies of this kind including PATO.

2.2 Formulators: These companies have their own factory for formulating and reprocessing, but do not have their own sales and promotion team. There are about 5 formulators in Thailand.

2.3 Distributors: These companies only have their own sales and promotion team. There are about 250 distributors in Thailand.

Currently, the Company share 5% to total agrochemical market and has policy to gain more market share from the multinational or local companies in order to strengthen its competitiveness as follows:

1. Compared with other formulators, the Company's factory in Bangpoo Industrial Estate is well equipped with modern machinery for higher capacity. Moreover, the Company has sufficient trucks for quick delivery to serve customers better. In addition, many types of formulation such as Emulsifiable Concentrate (EC), Suspension Concentrate (SP), Wettable Powder (WP) and Granule (GR) as top formulator in Thailand.

2. Compared with Formulators and Distributors, the Company's advantages are shown below:

2.1 Lower costs of production from the use of technical grade

2.2 Extensive marketing team with experience and expertise

2.3 Wider coverage of area all over the country

2.4 More product variety of various agrochemical types and uses

3. Compared with Distributor, the Company's advantages over these companies are the same as those over the Formulator and Distributors. Moreover, the Company has strategies to gain market share by:

3.1 Adding more products of comparable quality to those of the multi-national companies. with lower costs of production. It is expected that the Company will be able to achieve more market share, initially, by 5-10% of total sales of such product, and will increase gradually.

3.2 Penetrating into new area i.e. in the Northeast region, or in developing area of the country which is accounted for 60% of total area of Thailand. The Company will send promotion team to the area to introduce proper use of pesticides to enhance the ability to increase productivity per rai and produce quality that is acceptable to the market. By this way, farmers will also earn higher income.

Other factors contributing to the success of the industry include :

1. **Range of products** Production must include herbicide, insecticide, fungicide, and acaricide and molluscicide according to the market share ratio.

2. **Products** Selection of products depends on the Company's policy and the fluctuating price of crops.

3. **Market distribution** Nationwide distribution is essential, as the type of crops grown varies from region to region. Regional productivity is also effected by rainfall, irrigation and even the demand for pesticide products.

4. **Rainfall** The amount of land allotted to agricultural purposes has a direct impact on the growth of the agricultural chemical industry. The amount of rainfall also plays an important role in influencing the success, or otherwise, of land cultivation. If there is an abundant supply of rainwater, agricultural activities can be carried out throughout the country. Conversely, when rainfall is in short supply, land cultivation can only be done successfully in irrigated areas. Accordingly, during a drought, agricultural sector profits shrink drastically, and the overall economy is badly affected. The demand for pesticides is also largely influenced by rainfall. When the water supply is good, the demand for herbicides grew to such an extent that a significant volume had to be imported, at great expense. However, when rain water is scarce, an insect epidemic occurs, resulting in large imports of concentrated insecticides, known as "Technical Grade", which has to be reformulated, before they could be sold on the domestic market.

5. **Price of crops** As crop prices are so heavily influenced by importing opportunities and global



prices, figures on each serve as indicators for industry trends.

(3) Production and Produce Procurement for Sale

(A) Procurement

Pato Chemical Industry PCL.'s factory is located at 569 Soi 12, Bangpoo Industrial Estate, Sukhumvit Road, Tambon Praksa, Amphur Muang, Samutprakarn Province.s

Capacity and Actual Production

- Liquid Unit: Thousand Liters
 - Granule Unit: Ton
 - Powder Unit: Ton

Product	Capacity 2022 - 2025	PATO Actual 2022	PCC Actual 2022	PATO Actual 2023	PCC Actual 2023	PATO Actual 2024	PCC Actual 2024	PATO Actual 2025	PCC Actual 2025
Insecticide									
- Liquid	2,612	225	28	288	37	307	40	244	30
- Granule	14,400	758	-	2,715	1	2,934	-	2,530	-
- Powder	1,500	16	4	29	2	42	3	27	2
Herbicide									
- Liquid	2,600	338	10	1,227	210	1,196	181	805	119
- Granule	19,800	2,719	770	1,645	617	3,336	1,208	2,861	805
- Powder	2,000	102	7	152	10	182	14	133	13
Fungicide									
- Liquid	500	229	10	226	9	320	20	25	16
- Granule	500	-	-	-	-	-	-	-	-
- Powder	500	33	-	34	-	33	-	36	-
Acaricide									
- Liquid	270	66	-	73	-	66	-	59	-
Others									
- Liquid	500	55	-	81	-	90	-	56	-
- Granule	1,000	56	-	26	-	36	-	35	-
- Powder	500	134	-	118	-	118	-	120	-
Total Capacity									
- Liquid	6,482	913	48	1,895	256	1,979	241	1,421	165
- Granule	35,700	3,533	770	4,386	618	6,306	1,208	5,426	805
- Powder	4,500	285	11	333	12	375	17	316	15

Raw Material and Suppliers

Major raw material is chemical of technical grade. Normally, the Company will buy active vs inert ingredients at the ratio of 90 : 10 respectively by direct order from abroad and via local agent. Table shows types, suppliers and price. There is no substitute substance for technical grade chemical, however, there are substitutions for other inert ingredients such as emulsifiers, solvent, auxiliary materials for solvent, but these substitute substance will have to pass laboratory test before use. There are many suppliers of raw materials for those imported and purchased locally. Diverse group of raw material suppliers will create bargaining power for the Company to set a more reasonable price, higher quality products, and prompt delivery. However, there are certain substances that the Company buys from a sole supplier under special condition to benefit the Company such as, no sale to other company of the same productions. Price of raw material depends on the world price which is the same as other commodity.

There is no supplier whose business accounts for more than 30% of the Company's total raw material purchase.

Local Purchasing Ratio of 2022 - 2025

Value of Purchasing Ratio

(Unit: Thousand Baht)

Raw Material	2022	%	2023	%	2024	%	2025	%
1. Technical Grade	2,022	0.67	8,225	2.40	11,104	3.66	824	0.29
2. Solvent	11,009	3.63	11,379	3.33	13,035	4.30	9,146	3.17
3. Emulsifiers	8,213	2.71	10,249	2.99	15,693	5.17	9,987	3.46
4. Auxiliary	4,896	1.61	4,119	1.20	10,552	3.48	5,312	1.84
5. Others	4,819	1.59	6,404	1.87	9,632	3.17	8,921	3.09
Total Amount	30,959	10.20	40,376	11.80	60,016	19.78	34,190	11.85

Import Purchasing Ratio of 2022 - 2025

Value of Purchasing Ratio

(Unit: Thousand Baht)

Raw Material	2022	%	2023	%	2024	%	2025	%
1. Technical Grade	262,527	86.50	301,830	88.20	243,436	80.22	254,239	88.15
2. Solvent	-	-	-	-	-	-	-	-
3. Emulsifiers	10,011	3.30	-	-	-	-	-	-
4. Auxiliary	-	-	-	-	-	-	-	-
5. Others	-	-	-	-	-	-	-	-

Total Amount	272,538	89.80	301,830	88.20	243,436	80.22	254,239	88.15
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Local and Import Purchasing Ratio of 2022 – 2025

Value of Purchasing Ratio

(Unit: Thousand Baht)

Raw Material	2022	%	2023	%	2024	%	2025	%
1. Technical Grade	264,549	87.17	310,055	90.60	254,540	83.88	255,063	88.44
2. Solvent	11,009	3.63	11,379	3.33	13,035	4.30	9,146	3.17
3. Emulsifiers	18,225	6.00	10,249	2.99	15,693	5.17	9,987	3.46
4. Auxiliary	4,896	1.61	4,119	1.20	10,552	3.48	5,312	1.84
5. Others	4,819	1.59	6,404	1.87	9,632	3.17	8,921	3.09
Total Amount	303,498	100	342,206	100	303,452	100	288,429	100

(4) Assets

Land, Buildings and Machinery

Assets of Pato as of December 31, 2025 are as follows:

Pato Chemical Industry PCL.

Location	Ownership	Book Value (Baht)	Collateral
1.1 Bangpoo Industrial Estate, Praksa, Samutprakarn 12-0-72 Rai	Owner	10,962,000.00	None
1.2 Head Office	Rent	-	None
1.3 Buildings at Bangpoo Industrial Estate	Owner	5,737,688.00	None
1.4 Machinery at Bangpoo Industrial Estate	Owner	13,965,291.00	None

Right

(A) BOI Pato has never applied for a privilege from BOI.

(B) Other Rights, belonging to Pato Chemical Industry, is intangible assets and requires years of extensive research and laboratory tests of pesticides and insecticides. Pato has registered with the Ministry of Agriculture and Cooperatives for the owner of trademark for agrochemical. The registration is valid for 6 years from the date of receipt of registration and subject to renew once expire.

As of December 31, 2025, the Company has received approval for import registrations of 87 products under manufacturing and selling licenses of 219 trade names.

Pato Crop Care Co., Ltd.

Location	Ownership	Book Value (Baht)	Collateral
1.1 Buildings at Bangpoo Industrial Estate	Rent from PATO	-	None
1.2 Machinery at Bangpoo Industrial Estate	Rent from PATO	-	None

Right

1. **BOI** Pato Crop Care Co., Ltd. has never applied for a privilege from BOI.
2. **Other Rights**, belonging to Pato Crop Care Co., Ltd., is intangible assets and requires years of extensive research and laboratory tests of pesticides and insecticides. PCC has registered with the Ministry of Agriculture and Cooperatives for the owner of trademark for agrochemical. The registration is valid for 6 years from the date of receipt of registration and subject to renew once expire.

As of December 31, 2025, the Company has received approval for import registrations of 3 products under manufacturing and selling licenses of 55 trade names.

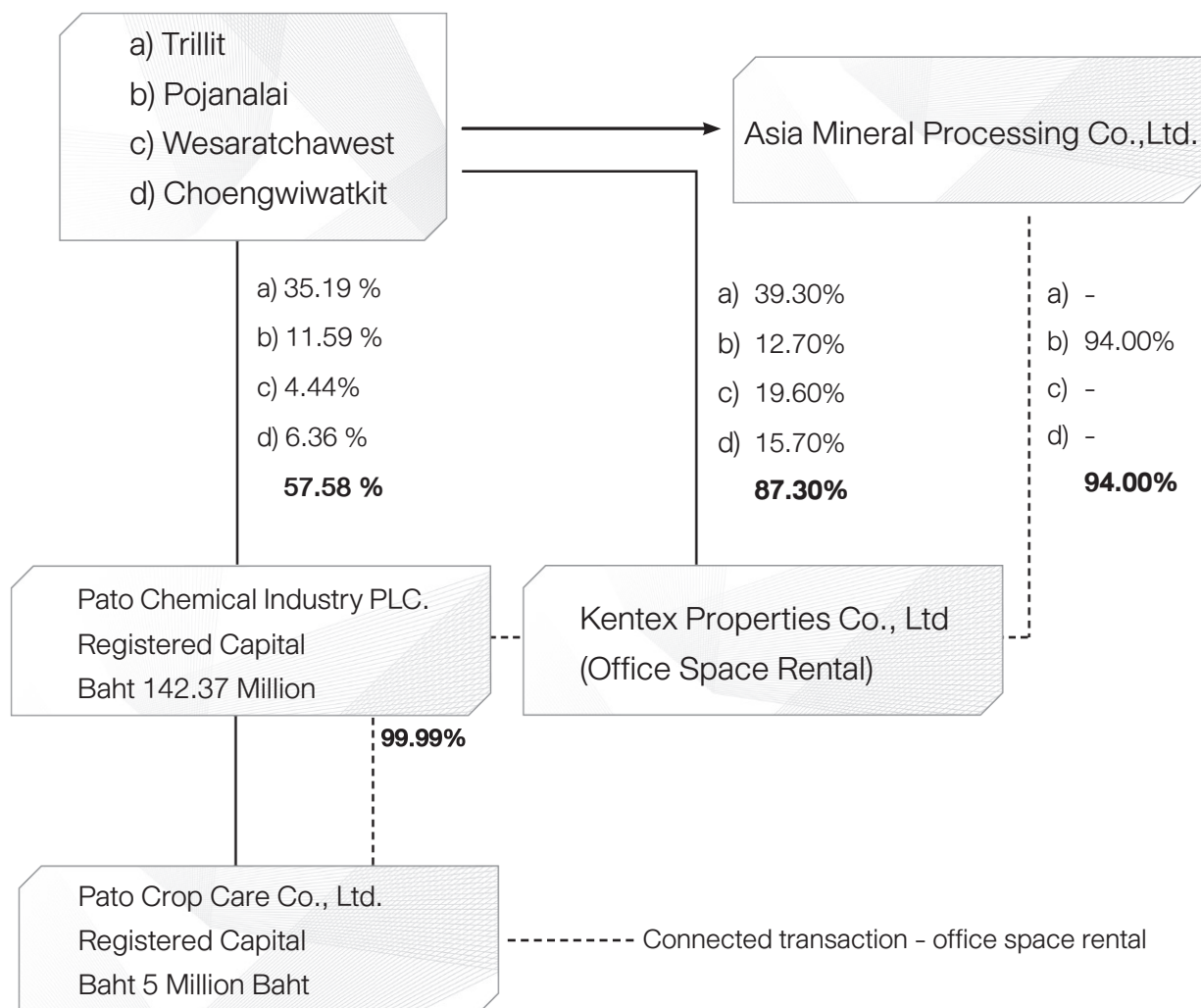
(5) Non Delivery Goods

There is no non-delivery goods as of December 31, 2025



1.3 CORPORATE STRUCTURE

1.3.1 Corporate Structure



1.3.2 Persons with conflicts holding shares in subsidiaries more than 10% : None

1.3.3 Relationship of the Major Shareholder

For disclosures related to any individual director, that director should ensure the accuracy and completeness of the information disclosed by the Company, including of shareholders' information and any shareholders' agreement.

1.3.4 Shareholders Structure

Name of Shareholders	Number of Shares As of 30/12/25	Percentage
1. Trillit Mr.Metha Trillit Mrs.Viphanee Trillit Dr.Viwat Trillit Ms.Ratchanee Trillit	50,100,000	35.19
2. Pojanalai Mr.Chaovut Pojanalai Mrs.Wantana Pojanalai Ms.Charina Pojanalai Mr.Churat Pojanalai	16,500,000	11.59
3. Wesaratchawest Mr.Suvit Wesaratchawest Mrs.Varunee Wesaratchawest Ms.Pornpring Wesaratchawest Ms.Suntaree Wesaratchawest Mr.Karn Wesaratchawest Mr.Boonsak Wesaratchawest Mr.Krit Wesaratchawest	6,321,066	4.44
4. Choengwiwatkit Mr.Surachai Choengwiwatkit Mr.Suwat Choengwiwatkit Ms.Waraporn Choengwiwatkit Ms.Ratchanee Choengwiwatkit	9,061,850	6.36
5. Free Float	60,389,084	42.42
Total	142,372,000	100.00

Note: Grouping by family name including spouse, sons and daughters, and siblings



1.4 Paid-up Registered Capital

1.4.1 Pato Chemical Industry has a registered and paid-up capital as of 30 December, 2025 of 142,372,000 Baht (One Hundred Forty Two Million Three Hundred and Seventy Two Thousand Baht). There are 142,372,000 shares, valued at THB 1 per share. Pato Chemical Industry invests in a subsidiary company, Pato Crop Care Co., Ltd, which operates of manufacturing and selling of pesticides. Investment record in Pato Crop Care Co., Ltd. is as follows:

Date	Nationality	Investments(share)	Holding Ratio
31 December 2015 - 30 December 2025	Thai	5 Million Baht	99.99%

Shareholders' Equity of Pato Chemical Industry PCL, as of 30 December 2025

Unit : Thousand Baht

	Amount
Registered Capital	142,372
Paid Up Capital	142,372
Retained Earning	182,168
Legal Reserve	14,238
Shareholders' Equity	477,164
Book Value (Per Share)	3.35
Par Value (Per Share)	1.00

1.4.2 Other Securities:

None

1.5 Other Securities Issuance:

None

1.6 Dividend Payment Policy

Pato Chemical Industry PCL. and Pato Crop Care expects to pay dividend to shareholders not less than 40% of net profit.

Dividend Payout Ratio for 2020 – 2025 Operational Result of Pato Chemical Ind. PCL.

Year	Earnings Per Share	Dividend per Share Baht	Percentage of Net Profit	Total Dividend Paid Mil. Baht
2020	0.57	0.57	99.64	81.15
2021	0.83	0.82	98.91	116.75
2022	0.32	0.41	128.05	58.37
2023	0.49	0.50	101.72	71.19
2024	0.60	0.60	99.52	85.42
2025	0.46	0.45	99.10	64.07

Dividend Payout Ratio for 2020-2025 Operational Result of Pato Crop Care Co., Ltd.

Year	Earnings Per Share	Dividend per Share Baht	Percentage of Net Profit	Total Dividend Paid Mil. Baht
2020	4.22	4.00	94.89	4.00
2021	6.99	6.50	92.98	6.50
2022	1.87	1.80	96.30	1.80
2023	2.65	2.50	94.26	2.50
2024	3.76	3.65	96.93	3.65
2025	2.24	2.00	89.11	2.00





2. Risk Management

2.1 Policy and Risk Management

The Company is aware of the importance of risk management for business operations under changes from internal and external factors that affect the Company's operations. It is considered that risk management is an important tool in business management in order to achieve goals with efficiency and effectiveness. The Company, therefore, arrange systematic risk management with surveillance and the use of various measures to reduce risks. The Board of Directors has appointed the Risk Management Committee to consider sufficient and appropriate risk management at the policy level. The following up, evaluating, and reviewing of risks in accordance with the internal and external environmental changes will be done to report to the Board of Directors for acknowledgment. The board should supervise to ensure that the Company has a risk management and internal control system that will effectively achieve its objectives and has practiced in accordance with relevant laws and standards.

Risk Management Committee

Board of Directors' meeting in 2014 approved the setting up of Risk Management Committee. The Risk committee consists of directors and/or executives of the Company and the internal auditor namely;

1. Dr. Viwat Trillit	Chief Executive Officer/ Chairman of Risk Management Committee
2. Ms. Arpapachara Siriphunvaraporn	Chairman of Audit committee
3. Mr. Chaiwat Chandarasrivongs	Audit Committee
4. Mr. Sahai Supsoonthornkul	Audit Committee
5. Mr. Visut Vanijcharoenkarn	CFO
6. Mr. Sayan Wan-Aree	Marketing Manager
7. Mrs. Parichart Manuthasna	Company Secretary/Office manager
8. Ms. Navaporn Phothai	Internal Auditor

Risk management committee's duties and responsibilities

1. To consider company's policy and overall risk management guidelines that including significant types of risk including corruption risk, risk of violation of human rights and present to audit committee for making a report for company board of Directors.
2. To define company's strategy and guideline process for risk management by evaluating, tracing, and controlling the Company's risk including corruption risk, risk of violation of human rights to be in an appropriate level.
3. To lay down measures for risk management that suite with situation and risk appetite.
4. To follow up on the risk management policy under the risk management guidelines along with the policies set forth.
5. Review the adequacy of policies and risk management systems, including the effectiveness of the system.

2.2. Risk Factors

2.2.1 Business Risks and Impacts

1. Natural phenomena risk, such as soil and weather conditions, which vary from year to year, not only directly affect agricultural activities, but also have a huge impact on the sales of insecticides. Drought is a major hindrance of the cultivation of high quality crops, and it reduces the volume of produce considerably, as well as the demand for insecticides. Conversely, when there has been major crop damage, the demand for insecticides could increase to such an extent that manufacturers are unable to meet the increased demand.

In recognition of such risks, therefore, PATO Chemical Industry PCL. has gone to great lengths to research and develop new products, in an effort to minimize the variations in the demand for insecticides caused by such natural crisis. For example, in the case of drought, the use of liquid herbicides, instead of granules, goes a long way in reducing the impact on PATO Chemical Industry's sales. In addition, the Company's new range of insecticides, designed for use with a wide range of crops, such as rice, field crops, orchards, Para rubber, and oil palm, helps minimize the effect of such natural crisis on these crops.

2. Marketing and production risk has hardly had any impact at all for the Company. Its extensive nationwide network of agents means that this risk is negligible. Furthermore, its distribution strategy, which enables each distributor to sell only one product range to avoid competition among distributors, has proved most successful. But it is the Company's reputation, amongst farmers, for manufacturing products which are both reliable and of a high quality that has contributed most to the Company's success. The fact that its product prices are considerably lower than those of imported products also helps keep the Company on solid ground.

3. Credit risk, the Company is exposed to credit risk primarily with respect to trade and notes accounts receivables. The Company's prudent credit policy and its diversified customers. The maximum credit risk exposure is equal to the book value of accounts receivable in the balance sheet. To minimize the risk of accumulating bad debts, PATO Chemical Industry has implemented a number of measures, including, Control of credit balance, Strict consideration when opening new market, Shortening of payment period, Emphasis on crops with high potential and price, Reduction of granting credit to high-risk crops, and More detailed market studies by marketing personnel.

4. Foreign currency risk relates from import activities of the Company. The Company primarily closely monitor movements of foreign exchange market and primarily of utilizes monetary instruments to manage risks.

5. Raw material shortage risk

5.1 Registration and license such as production registration, import permit of many products of the Company are gradually expired and must go through renewal process. The hesitant process of re-registration under relevant government agencies and some of the rules that still keeps on changing causing on some products cannot be sold in time. However, in order to reduce such risks, the Company



has planned to renew the registration in advance and monitor the situation of registration and extension of licenses closely.

5.2 The enforcing of new environmental laws in China has caused number of products to be limited to production. Some source of raw materials that the pollution control system does not meet the standards or locate in areas that may affect the environment, such as upstream or communities, will be closed. The production quantities in general, therefore, decrease. The products do not meet demand, resulting in higher raw material prices. In order to reduce such risk, the Company therefore selects to register with suppliers that have a standardized environmental management system and are located in an industrial area that has been approved by government agencies.

6. The changing of government policy risk. The Company operates under the government supervision policy. In addition to registration of import, manufacture and sell of agricultural chemicals, which are classified as hazardous substances, the products must be under the supervision of the National Hazardous Substance Committee, consisting of experts from the government sectors. Political parties that supervising governt sectors each time may cause some changes in policies, laws or regulations related. The Company may take time to resolve such problems which may cause some impact on the Company's operations. The Company must closely monitor the political situation and policy changes in order to review the strategy and work plan to be in line with the situation and give the least impact on the Company operations.

7. Human rights violation risk The Company arranges human rights risk management regarding procurement, production, sales and customers. Although the Company has selected appropriate partners, given appropriate welfare, given fair wage rate and treated everyone without discrimination, regardless of gender, race, nationality, including arranged a safe working environment, kept customer information confidentially, the Company is aware of the risk opportunities that may occur. Therefore, appropriate remedies for the victims are prepared to alleviate the effects of human rights violations. In addition, the Company opened a channel to listen to opinions and suggestions from employees and stakeholders for comprehensive information awareness.

8. Corruption Risk : The Company is required to registered dangerous substances with the government agency, namely, Department of Agriculture, Department of Livestock Development, and Food and Drug Administration. Therefore, the risk minimization has to be performed by managing the related registrations and licenses to control and plan for filing or extension of licenses in timely manner. This is including the preparation of required documents for renewal of registration and licenses according to each agency requirements and track on the progress closely to ensure that the renewal is properly performed.

The Company is an importer of raw materials from overseas for formulation process. Most of the raw materials are without customs duty. However, the Company has hired experienced shipping companies of dangerous substances handling records and the shipping company also has to comply with the anti-corruption policy by signing the letter of acknowledgment.

9. Environmental Risk. The Company is obligated to report the measurement results and the analysis concentration level of dangerous chemicals in the ambient air of the working area and its storage

to Department of Labour Protection and Welfare, Samut Prakan Province. If the results fail to comply with the standard of the Department or receive complaint, this can affect the license renewal of the factory. The Company shall also report to Department of Industrial Works regarding the waste management and non-use materials, to minimize risk; the Company manages all documents according to the reality. Moreover, the Company also employs outsource company to remove waste and non-use materials from the factory for the appropriate waste management, and also properly manage documentation, and submit reports to Department of Industrial Works. The Company complies fully with the law as mentioned as the advanced technical safety officers have investigated every risky issue and always improve to meet the safety standard. The Company applied for ISO 14001-2015 environmental management certification and was certified in March 2021 to ensure environmental stewardship.

2.2.2 Shareholders Risk

1. Pato Chemical Industry Public Company Limited and its subsidiary realize of the stability of the shareholders and then set a commitment to run the business with a good performance as possible. The companies expect to pay dividend to shareholders not less than 40% of net profit each year. Shareholders will be able to consider history of dividend payout ratio from table under topic 1.6 Dividend Payment Policy.

2. The risk of the shareholder(s) holding shares above 25%

Trillit group is the major shareholders hold about 35.19 % of paid-up capital in the Company as of December 30, 2025. So they cannot control the resolution of the shareholders' meeting, at which majority voting system is used for approval. Moreover, the other shareholders may collect the votes to determine and counterbalance the topic that major shareholder may offer. According to the risks, the Company provides a management structure which consists of the Board of Directors, Executive Directors, Audit Committee, and the Risk Management Committee that include the personnel who are competent. Furthermore, independent outsiders are appointed to be the Independent Directors: 4 people out of total 11 Directors and 3 Independent Directors are appointed to be an Audit Committee and shall have the duty to determine, consider, and give reasonable advice for any connected transactions. Reports will be presented to the Board of directors or shareholders' meeting for approval.

2.2.3 Risk of Investing in Foreign Securities

None





3. Driving Business for Sustainability

3.1 Sustainability Management Policies and Goals

Pato Chemical Industry PCL. conducts its business with a commitment to sustainability, recognizing its role as a member of society and taking into account the interests of all stakeholder groups. The Company adheres to the principles of good corporate governance and recognizes the importance of responsible business practices toward society, communities, and environment, in order to achieve sustainable growth and to earn the trust and acceptance of all stakeholders. To encourage the directors, managements and employees to the same directions, the Company takes into consideration, the Corporate Social Responsibility and set the policies as follows:

1. To raise awareness of all employees the realization of social responsibility and take into account the promotion of social responsibility through corporate governance and internal control, as well as create enterprise value focusing on activities that are correct and honest.
2. To consider the meaningful existence of the Company, moreover, the Company emphasizes the rights of all stakeholders including employees, customers, competitors, commercial creditors, environment and society at the well-balanced and prioritized appropriately, so all parties are satisfied and contribute to the sustainability.

3.2 Management of Impacts on Stakeholders in the Business chain

3.2.1 Business value chain

The Board of Directors ensures that the department allocates and manages resources with the highest efficient and effective performance, considering of the impact and development of resources along the value chain to achieve sustainable objectives and goals, which is divided into:

1. Main Activities

Production inputs management	Operation	Product distribution	Marketing and sales	After sales services
Procurement and import of raw materials - purchase of raw materials from abroad 80% - purchase of domestic raw materials such as sand, additives, packing material - raw material storage and warehouse management - warehouse management - inventory control - schedule product movement and return	Activities related to: - raw material blending and mixing - packing - quality control - storage	Delivery of finished packaging or products to the market, which is divided into: - Bangkok metropolitan and surrounding region, company provides free delivery to the location - using service of the courier company, customer pays for the freight - customer pick up product at the factory	Activities related to marketing and merchandising comprising: - product mix - pricing - marketing promotion - distribution channels	Customer care process and after sales services to ensure customer confidence and increase repeat purchase, for example - solving problems for customers in case of defective or damaged products, wrong delivery, product return, etc.

2. Support Activities

2.1 Human resource management

Human resources is the key that drives the Company's business. Therefore, the Company has given importance to the recruitment of knowledgeable and competent employees, competitive remuneration package to motivate employees, encouraging employees to attend regular training and development programs as well as providing opportunities for career development, taking care and building morale which is therefore to ensure that employees are loyal to the Company and focus on the satisfaction of customer needs.

2.2 Procurement

Quality work tools are provided for effectiveness, transparency, and fairness to trading partners of the Company. The Company supports its business partners by selecting goods and services from suppliers whose operations have minimal environmental impact (Green Procurement), such as the use of reusable packaging (Reuse), including glass bottles and steel drums, while ensuring that such products continue to meet customer satisfaction and fully comply with the Company's quality standards. Procurement activities are conducted without reliance on any single supplier in order to reduce operational risks. The Company provides opportunities for all suppliers to compete on quality, price, terms and conditions under the same criteria, with transparency and verifiability.

2.3 Production process development

Production processes are improved to meet customer needs.

2.4 Infrastructure

The Company has taken care of, developed and improved the core systems of the Company's business operations to be up to date all the time for highest accuracy and efficiency including computer technology system, administrative information system, customer information system, accounting and finance system, human resources management system, communication systems within organization and with customers. The Board of Directors ensures that the department allocates and manages resources with the highest efficient and effective performance, considering of the impact and development of resources along the value chain to achieve sustainable objectives and goals by the following principles:

1. Recognizing the necessity of the required resources
2. Maintaining and ensuing all resources are used efficiently and effectively at all times
3. Improving the use of resources for more effectiveness
4. Recycling resources

The Board of Directors provides a framework for governance and management of information technology at the organizational level in accordance with the needs of the business, including ensuring that information technology is used to increase business opportunities and develop operations and risk management to enable the business to achieve the objectives and main goals of the business by:

1. Providing legitimate computer system and sufficient personnel to support business operations. Trainings are organized for personnel to gain knowledge and understanding of the programs that must be used in each field.
2. Outsourcing to company that has expertise in providing inspection and maintenance services for software and equipment.
3. Supervising risk management program that may arise from the use of information technology and providing enough security measures that are prudent and concise to prevent unauthorized persons in gaining access to the information and may unlawfully use the information.

3.2.2 Business Supply Chain Stakeholder Analysis

Role to Stakeholders

The Company has established written guidelines for treating stakeholders in the Code of Business Conduct and Employee Code of Conduct and emphasized the importance of the rights of all stakeholders both internal and external stakeholders. Participation of stakeholders is promoted in order to understand their expectations and needs, therefore, be able to properly respond to each stakeholder group accordingly. The key points are summarized as follows:

Stakeholder group	Stakeholder expectations	Responding to the expectations of stakeholders
Internal stakeholders		
Shareholder	<ol style="list-style-type: none"> 1. The Company has a good performance to consistently generate profits and business growth 2. Share value meets business performance 3. Sustainable business 4. Good corporate governance 5. Treat shareholders equally 6. Receive accurate, complete, and timely information 7. Risk management system with good monitoring and control system 	<ol style="list-style-type: none"> 1. Managing with transparency for good operating results. The Company received SET AWARD for company performance. 2. Regular and reasonable dividends. The Company are ranked among the companies that pay consistent dividends. 3. Recognizing the importance of respecting shareholders' rights and equitable treatment, the Company established policies to promote shareholders' participation in the Annual General Meeting by holding meetings at locations that are convenient and easily accessible for directors, management, and shareholders. In addition, the Company publishes meeting notices and supporting documents at least 30 days in advance, provides proxy appointment for shareholders who are unable to attend the meeting in person, and uses software systems and barcode technology to ensure transparent and verifiable vote counting. The Company received assessment scores from the Thai Investors Association in the range of 95 - 98%. 4. Governance with transparency, fairness, and accountability.

Stakeholder group	Stakeholder expectations	Responding to the expectations of stakeholders
Employee		<p>5. Disclosure of information transparently, completely and in a timely manner.</p> <p>6. Providing an Investor relation to provide accurate information and build relationships with investors.</p> <p>7. Establishing the Risk Management Committee The Company has established the Project of Excellent Performance, Dividend Shares for Investors to meet shareholders' expectations.</p> <p>The Company emphasize on the transparency, honesty, accountability, and professionalism in management to secure business sustainability. As a result, the Company has been selected by the Stock Exchange of Thailand for the Outstanding Company Performance Award (SET Awards) in 2011 - 2012, 2017- 2018 and 2022. The Company has managed the remaining liquidity by investing in the low-risk returns with higher returns than the fixed deposits such as fixed income fund, bond, and equity fund of listed company with regular high performance and dividends paid to investors to enjoy tax privileges from dividends.</p> <p>The Company has also been awarded as the Best Company Performance for a small company in 2012 and 2018.</p>
	<ol style="list-style-type: none"> 1. Reasonable remuneration and benefits 2. Safety workplace 3. Opportunity to develop knowledge and potential 4. Opportunity to express opinions and suggestions 5. Equality and fairness treatment in workplace 6. Stability and career advancement 7. Suitable work environment, machinery, and equipment to facilitate work 	<ol style="list-style-type: none"> 1. Reasonable remuneration, salary increase, and bonus through fair performance evaluation. 2. Provide comprehensive welfare such as social security, provident fund, uniforms, staff vehicle, transport shuttle, accident insurance, life insurance. 3. Respect human rights 4. Provide opportunities for employees to present their opinions to the management including a suggestion and feedback box. 5. Promote and develop employees' potential by organizing training and seminars including training from government agencies and private sector as appropriate. 6. Provide opportunities for advancement in professional career. 7. Maintenance machinery, and equipment to be able to use effectively.
External stakeholders		
Customer	<ol style="list-style-type: none"> 1. Quality products, high standard, and fair prices 2. Sincerity 3. Wide range of products for crops 	<ol style="list-style-type: none"> 1. Responsible for the product. 2. Producing quality products, maintaining standards and reputation for more than 40 years. 3. Research and development department regularly

Stakeholder group	Stakeholder expectations	Responding to the expectations of stakeholders
	<ol style="list-style-type: none"> Received accurate product information Fast production and delivery according to market demands Informative and attractive presentation The contract/agreement is fulfilled fairly and honestly Received help and flexibility as appropriate Easy to contact with sales department and staff provide good customer services 	<p>researching for novel, efficient and environmentally friendly products for registration testing process on suitable crops.</p> <ol style="list-style-type: none"> Procurement of raw materials for pre-production so that orders can be quickly fulfilled on demand. Listen to complaints and comments for corrections, help and improvements. Employees are polite, sincere and have good customer services with knowledge in line to be able to provide advice to customers. Organize regular and appropriate promotional programs.
Trading Partner	<ol style="list-style-type: none"> Comply with trade agreements The Company treats trading partners with equality and takes into account of mutual benefits, based on obtaining fair returns for both parties Participate in problem solving as appropriate Have a good relationship Not asking or accepting bribe or any other benefits from trading partners Maintain lasting relationship with trading partners for mutual trust 	<ol style="list-style-type: none"> Pay for products within the specified timeframe. Comply with the procurement policy. Joint development of knowledge and understanding the procurement of products to meet the specified standards. Acknowledge and comply with the anti-corruption policy of the Company. Confidence to deliver products according to standards and timeframe.
Community	<ol style="list-style-type: none"> The Company operates business without affecting the community Receive support for activities that benefit the community Receive support and take part in solving community problems. Conveniently contact, report or filing complaints 	<ol style="list-style-type: none"> The production department is located in the industrial estate to minimize the impacts to the community. Support activities in the public interest especially in education. Allocate budget to help the community. Build awareness of employees volunteering to work that is beneficial to the community. Arrange for responsible persons to acknowledge complaints.

Compensation

The Company has a policy to cooperate with the government's compensation process to alleviate those affected by the Company's operations. The Company provides channels to submit complaints and go through the compensation process through the communication system with the following details:

The Company provides complain channels for stakeholders through audit committee by mail to Audit Committee, Pato Chemical Industry PCL. Pato Building, 3388 New Petchburi Rd. Bangkok, Huaykwang, Bangkok 10310, or Fax: 02 3180367 or e - mail: auditcom.p@pato.co.th

During pervious year, the Company has not received any complaints from any contact channels.

3.3 Environmental Sustainability Management

Pato Chemical Industry Public Company Limited is committed to conducting its business in the agrochemical industry responsibly, focusing on sustainability throughout its production and operational processes. The Company supports Thai farmers and enhances food security under the concept of **“promoting plant protection for sustainable agricultural food security.”**

The Company manufactures and distributes highly effective and fairly priced agrochemical products to help farmers increase yields and reduce agricultural losses. Concurrently, the Company prioritizes reducing environmental and social impacts, emphasizing sustainable development to ensure long-term stability for business performance, communities, and natural resources.

3.3.1 Environmental Policy and Practices

Pato Chemical Industry Public Company Limited emphasizes environmental conservation, adheres to international standards, and complies with ISO 14001 : 2015 to enhance environmental management effectiveness and promote sustainability. The Company’s environmental policy is as follows:

- **Compliance with environmental laws and standards :**
 - Adhering to both national and international environmental requirements, including the regulations from the Stock Exchange of Thailand (SET) and climate change-related measures, to ensure sustainable operations.
- **Energy Efficiency :**
 - Implementing energy-saving initiatives in production processes, promoting the use of clean energy, and developing technologies to enhance energy efficiency, reduce fossil fuel dependence, and decrease greenhouse gas emissions.
- **Water Management :**
 - Employing measures to reduce water consumption in production and installing efficient wastewater treatment systems before releasing water back into natural sources, preventing environmental impacts and mitigating long-term water scarcity.
- **Industrial Waste and Garbage Management :**
 - Applying the 3Rs (Reduce, Reuse, Recycle) principles for managing industrial waste and garbage generated from production processes. The Company encourages recycling, reusing materials, and employs certified specialists for proper waste disposal aligned with international standards.
- **Reduction of Greenhouse Gas and Air Pollution :**
 - Improving production processes to minimize greenhouse gas (GHG) emissions and implementing measures to control air pollutants such as dust and odors to meet environmental standards.
- **Promoting Environmental Awareness :**
 - Conducting employee training on environmental standards, fostering a sustainable organizational culture, and collaborating with governmental, private sectors, and communities to undertake natural resource conservation projects.

Compliance with Hazardous Substances Act

The Company operates within the framework of the Hazardous Substances Act (No. 3), B.E. 2551 (2008), requiring registration with relevant agencies as follows:

- **Department of Agriculture :**
 - Submission of toxicity data for active substances and finished products to laboratories accredited by Good Laboratory Practice (GLP) standards, alongside conducting efficacy trials on various crop species to minimize environmental risks.
- **Department of Livestock Development :**
 - Ensuring safety verification and approval of chemicals used in livestock.
- **Food and Drug Administration (FDA) :**
 - Analysis of active ingredients according to WHO standards, ensuring consumer safety.

Environmental Impact Control Measures Within the Factory

The Company's production base is located in Bangpoo Industrial Estate, cooperating closely with relevant authorities to implement measures in safety, occupational health, and environment as follows :

- **Waste Disposal :**
 - The Company hires certified specialists to dispose of waste according to technical standards, with inspections conducted by government authorities before disposal.
- **Wastewater Treatment :**
 - Ensuring wastewater treatment meets the required standards before being discharged into the industrial estate's centralized system to minimize environmental impacts.
- **Air Pollution Control :**
 - Utilizing technology to reduce pollutant emissions from production processes and implementing measures to prevent chemical dispersal, ensuring the safety of surrounding communities.

Pato Chemical Industry Public Company Limited continues to commit to sustainable production practices, prioritizing environmental considerations in all business decisions, aiming to balance business growth with long-term environmental stewardship.

3.3.2 Environmental Performance

Pato Chemical Industry Public Company Limited and its subsidiaries (the "Company") conduct business operations based on ethical principles, social responsibility, and consideration of environmental impacts throughout the business value chain. The Company is committed to sustainable growth by integrating economic, social, and environmental management under the principles of good corporate governance. Emphasis is placed on efficient resource utilization and minimizing environmental impacts.

The Company adopts the 3Rs principle (Reduce, Reuse, Recycle) in its operations to enhance resource efficiency, reduce waste generation, and promote responsible resource consumption. This approach covers key environmental aspects including energy management, water management, waste

management, and the reduction of pollution from production processes.

In addition, the Company strictly complies with applicable environmental laws and regulations while promoting the adoption of clean technologies and environmentally friendly production practices. These efforts aim to reduce environmental impacts and support responses to climate change, which is a critical global challenge.

The Company has been certified under ISO 14001:2015 Environmental Management System and continuously monitors, measures, and evaluates its environmental performance to ensure compliance with established standards. Furthermore, the Company discloses its greenhouse gas emissions data verified by a verification body registered with the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO).

To support the Sustainable Development Goals (SDGs), the Company aligns its environmental management approach with relevant SDGs, including Goals 3, 6, 7, 8, 9, 12, and 13. The Company focuses on four key environmental areas:



The Company continuously monitors and evaluates performance in each area to improve resource efficiency, minimize environmental impacts, and support sustainable business operations in the long term. In addition, the Company places importance on **raising environmental awareness among employees at all levels** by providing environmental training and continuous communication regarding environmental practices. This enables employees to apply efficient resource management and environmentally responsible practices in their daily operations.

1. Energy Management

The Company places significant importance on **efficient energy management** in order to minimize environmental impacts, reduce operational costs, and enhance organizational competitiveness. Energy consumption in production processes and supporting activities is continuously monitored and managed, while employees are encouraged to adopt energy - saving behaviors.

The Company's energy management approach focuses on improving energy efficiency in operations and exploring opportunities for cleaner and renewable energy sources in the future to support greenhouse gas reduction and sustainable development.

Key energy management measures include :

- Improving efficiency of machinery and equipment used in production processes
- Implementing energy - saving technologies such as smart electrical systems and improvements to air-conditioning systems
- Promoting energy - efficient behaviors among employees, such as switching off unused electrical equipment
- Exploring opportunities for renewable energy to reduce reliance on fossil fuels

Electricity Consumption

The Company continuously monitors electricity consumption to analyze trends and improve energy efficiency. In 2025, total electricity consumption was **337,861 kWh**, representing a decrease of **5,975 kWh (1.74%)** compared to the base year **2023** with consumption of **343,836 kWh**. This reduction reflects the effectiveness of the Company's energy management and energy - saving measures.

Electricity consumption temporarily increased in **2024** due to higher operational activities before declining again in **2025**.

Table 3.3.2 - 1 Electricity Consumption

Description	Unit	Reporting Year		
		2023	2024	2025
Total Electricity Consumption	Kilowatt - hour (kWh)	343,836.00	381,464.00	337,861.00
Purchased Electricity Consumption	Kilowatt - hour (kWh)	343,836.00	381,464.00	337,861.00
Electricity from Renewable Energy Sources	Kilowatt - hour (kWh)	-	-	-

Table 3.3.2 - 1.1 Electricity Expenses

Description	Unit	Reporting Year		
		2023	2024	2025
Electricity Expenses	Baht	1,494,694.81	1,512,876.52	1,336,984.49

Fuel Consumption

The Company also monitors fuel consumption in operational activities such as company vehicle usage and supporting operations to enhance energy efficiency and reduce unnecessary resource use.

Key measures include :

- Promoting online meetings to reduce travel
- Encouraging the use of energy - efficient vehicles
- Regular maintenance of machinery and vehicles

In **2025**, the Company's total fuel energy consumption was **3,558,864.76 MJ**, an increase of **102,244.76 MJ (2.96%)** compared with the base year 2023 (2566) at **3,456,620 MJ**. This increase is consistent with the level of operational activities and company vehicle usage.

Table 3.3.2 – 3 Fuel Consumption

Description	Unit	Reporting Year		
		2023	2024	2025
Total Energy Consumption	Megajoule (MJ)	3,456,620.00	3,702,318.68	3,558,864.76
Diesel	Liter	59,781.84	68,834.96	63,844.61
Gasoline	Liter	40,123.81	37,384.48	38,741.88
Liquefied Petroleum Gas (LPG)	Kilogram	330.00	375.00	285.00
Fuel Oil	Liter	-	-	-
Natural Gas	Cubic Meter (m ³)	-	-	-
Steam	Ton	-	-	-

Table 3.3.2 – 3.1 Fuel Expenses

Description	Unit	Reporting Year		
		2023	2024	2025
Fuel Expenses	Baht	3,332,437.59	3,621,279.19	3,373,566.26

2. Water Management

The Company places importance on **efficient water resource management** to reduce environmental impacts and ensure responsible water consumption. Water use in operational activities is continuously monitored and controlled, while measures are implemented to improve water use efficiency and maintain related utility systems.

The Company's water management approach focuses on reducing water consumption in operations, controlling wastewater quality in compliance with regulatory standards, and improving internal water management systems to support sustainable resource utilization.

Key water management measures include:

- Regular monitoring and control of water usage in operational activities
- Inspection and maintenance of water systems to prevent leakage losses
- Improving water use efficiency in operational processes
- Monitoring and controlling wastewater quality to ensure regulatory compliance

The Company's facilities are located within an **industrial estate**, which provides standardized utilities and environmental management systems that support efficient water and wastewater management while minimizing impacts on surrounding communities and the environment.

Water Consumption

In **2025**, the Company consumed **7,859 cubic meters of water**, representing a reduction of **1,454 cubic meters (15.61 %)** compared with the base year **2023** with consumption of **9,313 cubic meters**. This reduction reflects the effectiveness of the Company's water management and conservation measures.

Table 3.3.2 – 5 Water Consumption

Description	Unit	Reporting Year		
		2023	2024	2025
Total Water Consumption	Cubic Meter (m ³)	9,313.00	8,746.00	7,859.00
Water from Municipal or External Supply	Cubic Meter (m ³)	9,313.00	8,746.00	7,859.00
Surface Water Withdrawal	Cubic Meter (m ³)	-	-	-
Groundwater Withdrawal	Cubic Meter (m ³)	-	-	-
Seawater Withdrawal	Cubic Meter (m ³)	-	-	-
Water Used in Production Processes	Cubic Meter (m ³)	-	-	-

Wastewater Management

The Company ensures proper treatment and control of wastewater before discharging it into the industrial estate's treatment system. Wastewater quality is regularly monitored to ensure compliance with environmental standards and prevent environmental impacts.

In **2025**, total wastewater discharge was **4,715.40 cubic meters**, a reduction of **872.40 cubic meters (15.61 %)** compared to **5,587.80 cubic meters in 2023**. This decrease is consistent with the reduction in overall water consumption.

Table 3.3.2 – 6 Wastewater Discharge

Description	Unit	Reporting Year		
		2023	2024	2025
Total Wastewater Discharge	Cubic Meter (m ³)	5,587.80	5,247.60	4,715.40
Wastewater Discharged to External Treatment	Cubic Meter (m ³)	5,587.80	5,247.60	4,715.40
Wastewater Discharged to Surface Water	Cubic Meter (m ³)	-	-	-
Wastewater Discharged to Groundwater	Cubic Meter (m ³)	-	-	-
Wastewater Discharged to the Sea	Cubic Meter (m ³)	-	-	-

Table 3.3.2 – 6.1 Water Expenses

Description	Unit	Reporting Year		
		2023	2024	2025
Water Supply Expenses	Baht	150,046.96	136,452.89	106,446.57

3. Waste and Pollution Management

The Company emphasizes effective **waste and pollution management** to comply with environmental laws and regulations and support sustainable development. Waste management is conducted through systematic processes and continuous environmental monitoring.

The Company applies the **3Rs principle** in waste management by focusing on waste reduction at the source, proper waste segregation, and appropriate disposal methods in accordance with regulatory requirements to ensure safe and environmentally responsible waste handling.

Key waste management measures include:

- Waste reduction at the source
- Proper segregation of waste by category
- Safe storage and transportation of waste in accordance with environmental standards
- Disposal through licensed waste management contractors

The Company also monitors environmental quality within the facility, including **air quality, odor, noise, and workplace environmental conditions**, to ensure compliance with regulatory standards. During the reporting year, **no incidents of chemical leakage or environmental impact events were reported**.

Waste Generation

In **2025**, total waste generation was **11,900 kilograms**, representing a reduction of **15,920 kilograms (57.23%)** compared with the base year **2023** at **27,820 kilograms**. This reduction reflects improved resource efficiency and waste reduction measures implemented by the Company.

Most waste generated from operations is classified as **hazardous waste**, due to the nature of the Company's chemical - related production processes. All hazardous waste is properly stored, segregated, and disposed of through licensed contractors in accordance with environmental regulations.

Table 3.3.2 – 8 Waste Generation

Description	Unit	Reporting Year		
		2023	2024	2025
Total Waste Generation	Kilogram	27,820.00	16,303.00	11,900.00
Non - Hazardous Waste	Kilogram	0	0	0
Hazardous Waste	Kilogram	27,820.00	16,303.00	11,900.00

Waste Reuse and Recycling

Although the Company promotes resource efficiency and waste reduction, most operational waste consists of chemical-related hazardous waste that must be disposed of according to regulatory safety requirements. As a result, such waste cannot be reused or recycled.

Therefore, the Company focuses primarily on **waste reduction at the source** to minimize the volume of waste requiring disposal.

Table 3.3.2 – 9 Waste Reuse and Recycling

Description	Unit	Reporting Year		
		2023	2024	2025
Total Waste Reused / Recycled	Kilogram	0	0	0
Non-Hazardous Waste Reused / Recycled	Kilogram	0	0	0
Hazardous Waste Reused / Recycled	Kilogram	0	0	0

4. Greenhouse Gas Management

The Company recognizes the importance of **greenhouse gas (GHG) management and climate change mitigation**, which are significant global issues. The Company is committed to conducting business operations while minimizing environmental impacts and supporting climate policies at both national and international levels.

The Company has established greenhouse gas management approaches focusing on monitoring and assessing emissions from operational activities, improving energy efficiency, promoting efficient resource utilization, and enhancing awareness among employees regarding GHG reduction.

Key measures include:

- Preparing the Carbon **Footprint of Organization (CFO)**
- Improving energy efficiency in operations
- Promoting cleaner production technologies
- Encouraging the use of renewable energy
- Raising awareness on energy conservation and GHG reduction among employees

The Company also promotes environmental activities such as **increasing green spaces and tree planting within office and operational areas** to support carbon sequestration and climate mitigation.

Carbon Footprint of Organization Assessment

The Company conducted a **Carbon Footprint of Organization (CFO)** assessment in accordance with the guidelines of the **Thailand Greenhouse Gas Management Organization (Public Organization) (TGO)**, which align with international standards for greenhouse gas accounting.

The assessment covers greenhouse gas emissions in the following scopes :

- **Scope 1** Direct emissions from organizational operations
- **Scope 2** Indirect emissions from purchased electricity
- **Scope 3** Other indirect emissions across the value chain

The Company's greenhouse gas emissions data was **verified by ECEE Co., Ltd.**, a verification body registered with TGO. The Company also engaged **Mr. Kittipong Rungnoi** as a consultant to support the preparation and analysis of greenhouse gas emissions data in accordance with TGO guidelines.



Greenhouse Gas Emissions Performance

In **2025**, the Company's total greenhouse gas emissions were **9,954 tCO₂e**, representing a reduction of **1,704 tCO₂e (14.62%)** compared with **11,658 tCO₂e in 2023 (2566)**. This reduction reflects improvements in energy efficiency, resource management, and operational processes.

Table 3.3.2 – 10 Greenhouse Gas Emissions

Description	Unit	Reporting Year		
		2023	2024	2025
Greenhouse Gas Emission Target	tCO ₂ e	-	-	-
Total GHG Emissions	tCO ₂ e	11,658	10,790	9,954
Scope 1 Emissions	tCO ₂ e	272	293	282
Scope 2 Emissions	tCO ₂ e	172	191	169
Scope 3 Emissions	tCO ₂ e	11,214	10,306	9,503
Verification Status		Verified by ECEE Co., Ltd.	Verified by ECEE Co., Ltd.	Under verification, expected to be verified in 2026

Greenhouse Gas Reduction Strategy

The Company has established short-term, medium-term, and long-term strategies to reduce greenhouse gas emissions and support sustainable business operations in line with national environmental policies.

Short-term :

- Continuous monitoring and assessment of organizational GHG emissions
- Improving energy efficiency in operations

Medium – term :

- Promoting renewable energy use such as solar energy
- Encouraging low-carbon behavior within the organization

Long-term :

- Developing environmentally friendly production processes and products
- Collaborating with suppliers and stakeholders across the value chain to reduce emissions

3.4 Sustainability Management in Social Dimensions

Thailand is recognized as an agricultural country, despite the fact that the agricultural sector does not take the major role to generate incomes to the country. However the agricultural sector has still played an important role to feed the nation, and also yield the national incomes through export. Over the

past, several countries worldwide have been trying to increase their farming areas in order to cultivate more. Even the countries which were unable to farm have also tried to lease cultivated lands of other countries for this purpose. Consequently, it can be said that the farming sector is significantly important.

Food Security is a modern problem faced by many countries, especially developing countries, where such problem is increasingly severe due to the change of climate and limited area of agriculture. Therefore, each country has to come up with measures to cope with this problem.

For Thailand, we are capable of producing sufficient food crops for domestic consumption and exporting to other countries. However, the government should pay attention to the following factors in order to avoid future problems.

1. Agricultural areas have been used for producing alternative energy such as solar farm, which has gained increasing popularity, especially in Northeastern area.
2. Agricultural labor force has continuously decreased as new generations prefer to work in industrial sector. Therefore, agricultural sector has lacked of labor force due to its high demand in labor.
3. More foreigners have used legal loopholes to occupy agricultural areas causing some Thai people to lose the possessory right of their land and unable to use their land for agricultural purpose.
4. Factors of production such as chemical fertilizer and pesticide chemicals must be imported from other countries causing high manufacturing cost.

Weed Science Association of Thailand conducted a research and it was found that weeds are the number one enemy of farmers. Labor for agricultural sector is scarce and more costly than the use of herbicides. Due to the aforementioned factors, Thai farmers have to find the way to “produce more without expanding the area while making the efficient use of their existing labor”. Pato Chemical Public Company Limited was, therefore, established to answer the needs of Thai farmers for quality, increasing productivity, and rely on less labor by providing high-quality and effective pesticides at reasonable price while multinational companies focus on importing finished products, which are more expensive.

Pato Chemical Industry PCL. has imported both finished products and Technical Grade chemicals and laid down the policy to focus on import the Technical Grade materials as much as possible as having considered that the Technical Grade chemicals can be formulated for their own manufacturing process and this would cut down the production cost and help promote the domestic income distribution since other chemical elements, including packaging materials can be supplied domestically. The most important thing is that the Company can monitor and control the quality of the products better than the imported finished ones. Definitely, this will bring about big advantages to Thai farmers and agriculturists as they can access to the good quality agricultural products at the lower price and cut down the farming cost. Consequently, the past above 40 - year history of the Company’s operation have been secured by the reliability and trust of Thai agriculturists until today.

3.4.1 Policies and Practices in Social Dimensions

The Company has set out the business guidance to observe the following 8 principles of social responsibility:

Principles	Policies/Practices
1. Doing business with fairness	<p>Board of Directors has a policy to treat their business partners with fairness and honesty. The goal of sustainability is to minimize customer complaints. and therefore establishes the principles below:</p> <ul style="list-style-type: none"> - Avoid any business or operations which may lead to the conflict of interest. - Promote the freedom of fair competition and avoid favoritism treatment. - Support the protection of intellectual property or patents. - Establish the preventive measures to ward off bribery and corruption, by setting up the rectification process, as well as the monitoring function and penalty. - Promote the anti-corruption campaign among the executives and staff. - The Company has remained the political neutrality and never taken a part or contributed funds to any political party directly or indirectly, as they have considered that the political stances are individual and not involved corporate responsibility.
2. Anti - Corruption	<p>Corruption in Thailand is recognized throughout the world and Thailand is ranked for corruption problem in the primary. The problem affects the image and standard of living of Thai people as a whole for instance:</p> <ol style="list-style-type: none"> 1. Public resources may turn to someone own illegally and unethically. 2. Distortion of resources use and as a result, public do not receive full benefits from funds spent on the project such as poor quality road or constructions which lead to a shorter working life than it seems, or people receive poor service. 3. Politicians may take opportunity to monopolize, not promoting effective and fair competition and result in weak and unprogressive organization. 4. The youth and public will value wealth achieved by the fraud. Small mistake, privilege for own benefit will become common and done by everyone. People will not believe in morals and ethics and lead to exploitation, rules and disciplines breaking, and the lack of common sense to do for public. <p>The Company gives importance to good business management under the framework of good ethics, transparency, and being able to be investigated, especially processes related to or risking corruption within the Company, with regulations as follows:</p> <ol style="list-style-type: none"> (1) The committee, directors, and employees are prohibited from engaging in corruption in all forms, whether directly or indirectly;

Principles	Policies/Practices
	<ul style="list-style-type: none"> (2) Promoting values of honesty, integrity, and responsibility towards conducting duties; (3) Promoting awareness to stakeholder to understand, realize, and cooperate for fighting corruption; (4) Aiming to be a transparent organization, free from corruption, as well as not involving in any form of corruption; (5) Treating employees fairly, conduct review process to penalize those who engaging in corruption, violating, or failing to comply with the standards. Each case will be proceeded under protocol and regulations in consideration of the penalization; (6) Providing the measures to protect whistleblowers who inform details of corruption in the organization; (7) Providing review of compliance according to anti-corruption policies in line with changes in businesses, regulations, rules, and legal requirements.
3. Respect on human right	<p>The Company has supported and respected a human right protection and honor individual dignity. The Company has put against the coercive and child labor by promoting the observance of the international human right codes and morality in order to secure the social tranquility.</p> <p>In addition, the employee recruitment has not been decided by inborn and physical character traits i.e. race, gender and religion, but judged on the real competency and virtue.</p>
4. Attainment to the goal of fair treatment to laborers	<p>The Company has secured the protection of employment by observing the fair employment codes of conducts with sustainable goal of low rate of turnover as follows:</p> <ul style="list-style-type: none"> 1. Put the priority on the safety and sanitation by arranging appropriate occupational health and safety on working. 2. Provide skills and training to enhance the employee's competency and render career opportunity. There are clear policies and concrete guidelines. 3. Return appropriate remuneration to reflect the workloads and job entity. 4. Set out the pledge and complaint process appropriately. 5. Provide appropriate benefit welfare. The Company's minimum wage applies to new unskilled workers. The wage applied is higher than that announced by the government and the daily worker wage is adjusted annually. 6. Create balance of working life and family well - being. 7. Prevent from unfair treatment or disciplinary punishment to the employees who honestly work. 8. Seek for discussions/cooperation between employer and employee for solutions and respect employees' opinions. 9. Develop and instill morals and ethics. 10. Offer employment to the disabled to return the benefits to the society.

Principles	Policies/Practices
5. Responsibility for customers	<ol style="list-style-type: none"> 1. Manufacture the good quality products which have been trusted by Thai farmers over 30 years. The products will give an efficient and safe result, when the consumers follow the safety directions given on the label. 2. Provide correct and sufficient information to the consumers without propaganda by navigating easily - understood instructions which include the safety handling with the users who are affected by the toxic chemical, and how to manage the storage and disposal. 3. Raise awareness among the consumers and manufacturers to recognize the importance of using the products with the least harm to the environment. 4. Develop the products to give the optimum benefits in an environmentally responsible way i.e. supplying environmental-friendly products with least toxic residues.
6. Cooperation with society and community	<ol style="list-style-type: none"> 1. Arrange social responsibility activities to fulfill the society and community development. 2. Maintain the pleasant surrounding environments in communities. 3. Render supports to the society and communities to access to the fundamental infrastructure i.e. building schools through the functions of universities' volunteer rural development camps.
7. Use and Sharing of Innovation	<p>The Company plan to increase product lines with low residues in the environment. Having started from the registration of the hazardous chemical for agricultural use, the Company has to prepare for the academic information/ data about the products and submit them to the Department of Agriculture. In the meantime, the standard laboratory test is required carrying out to find out the level of chemical residues. For this process, the Company dispatches the sample of the products to the international laboratory in U.K. to ensure the lab result, and submit it to the Department of Agriculture. Then the expertise will conduct a test use of the product on the variety of plants to recognize the efficiency of the products and appropriate doze of use which is the best for Thai plants. This process shall take more than 1 year to fulfill.</p>

Human Rights Operations

Human Rights Policy

The board of directors, executives and employees are aware of the importance and respect for human rights with the following policies:

1. Do not support forced labor
2. Against child labor
3. Providing suitable working conditions
4. Taking into consideration of the right to negotiate through the labor union.
5. Equal opportunity and no discrimination
6. Providing support for the rights of migrant workers.
7. Recruiting persons with disability

Guidelines

1. Respect for human rights, treat others with respect and honor without discrimination based on race, nationality, religion, gender, age, skin color, education, social status.
2. Identify the risk of human rights violation. Define individuals or groups that may have impact from potential risks, plan and determine solutions and to prevent human rights violations, manage and resolve to prevent human rights violations. Monitor and follow up by providing a relief process that appropriate in the event of human rights violations. The risk assessment including employment, health and safety of labour, community safety, confidentiality of personal information shows that health and safety risks of customers and users are at the highest level. The Company, therefore take action to mitigate such risks as the first priority.
3. Caution in performing duties to prevent the risk of human rights violations in business operations.
4. Communicate, disseminate, provide knowledge and understand to set guidelines for conducting business throughout the business value chain including suppliers and contractors so as to participate in conducting business with integrity, respect for human rights.
5. Monitoring of respect for human rights not neglect or ignore any cases that might be considered as violation of human rights related to the Company. This shall be reported to the supervisor or the responsible person and cooperate in the investigation of the facts. If in doubt or question shall also be consulted with the supervisor or the responsible person through proper channels specified.
6. Ensure fairness and protection of persons who report human rights violations by using whistle - blower protection policy to protect the complainant or those who cooperate in reporting human rights abuses
7. Create an organization culture that is committed to respecting human rights.
8. The offenders of human rights violations are unethical, which must be considered disciplinary action according to regulations of company and also may be penalized by law if the offense is unlawful.

Ensuring Freedom of Association and Protection of the Right to Collective Bargaining

The Company has guidelines to support employee union and collective bargaining through unions. In the past year, the Company has not received any complaints about employment conditions or labor disputes from labor unions.

Eliminating All Forms of Forced Labor and Human Trafficking

The Company has policies and guidelines against the use of forced labor. Employment is legal and fair. The Company takes into account the importance of working days, break times, holidays and leave days, as well as paying wages according to the rules and regulations of the Company that is in line with the Labor Protection Act B.E. 2541 (1998). Last year, the Company has not received any complaints or disputes in any of the above issues.

Eliminating Child Labor

The Company strictly and seriously opposes the use of workers under the age of 18 in accordance

with the Labor Protection Act B.E. 2541 (1998). The Company has never received any complaints or disputes about child labor.

Eliminating Discrimination in Workplace and Recruitment Process

The Company has policies and practices against all discrimination in workplace and recruitment process, and aware that everyone has the rights to fair wages and equal opportunity in training to develop their career.

Protection of Privacy and Personal Information

The Company has policies, scopes, and guidelines for disclosing, transferring, or collecting personal information, and personal data for the protection of privacy and personal information of directors, and employees, as well as stakeholders such as customers, business partners, shareholders in accordance with the Personal Data Protection Act B.E. 2562 (2019). The Company aims to improve rules and regulations of the Company relating to the collection of personal data in accordance with applicable laws, the Company assigned human resource personnel to attend training on the topics in order to prepare for further implementation of the policy. The Company is also working to create understanding among employees about what is considered violation of privacy and personal rights, which is as follows:

1. Providing false information to other people.
2. Distorting or modifying information to be different from the original.
3. Accessing other people's information without permission.
4. Disclosing important information to other people without permission.
5. Destroying information causing damage to the Company or an individual.
6. Taking control of the system without permission whether partially or completely.
7. Attacking the main network that provides the service causing damage.
8. Sending malware causing damage to the network system.
9. Creating false news, chain e-mail or any spamming on the website or e-mail.
10. Creating computer virus that harms a computer system and spreads widely.
11. Using of spyware tools to intercept other people's information.

During the past year, the Company did not receive any complaints regarding customers' personal data. The information about the policy and principles of practice regarding the protection of personal information can be found on the Company's website. 'https://drive.google.com/file/d/1Ke_YUEQarzMa4s-wERz_ZTo25Mw2JU0R/view

Protection of Freedom of Information and label

The Company has policies and guidelines that aims to create transparency in the information of the Company's products. The Company respects the rights to freedom of information and to enable customers to make the right purchase with complete and accurate information.

The Company's product labels all comply with the regulations of the Department of Agriculture, the Department of Livestock Development, the Food and Drug Administration, which oversees the approval of labeling.



Intellectual Property

The Company recognizes the importance of intellectual property and copyrights of those who have put effort into creating innovations. Therefore, the Company has set up policies to prevent the breaking of intellectual property rights, as follows:

1. Employees must comply with laws, regulations and agreements about intellectual property rights including patent, copyrights and trade secrets.
2. Outside information must be carefully checked before being used to ensure that it will not break intellectual property rights.
3. The Company uses only legal software and fonts from copyright holders.
4. Upon termination of employment, employees must hand in information about trade secrets in all forms back to the Company.
5. The employees who deal with trade secrets should use appropriate measures to keep trade secrets, such as
 - Data collection such as Names of customers and distributors
 - Working procedure
 - Manufacturing process, Technic and Know-how
 - Document tracking process
 - Production formula
 - Business strategy, business plan, marketing plan and information about the Company's Research and Development (R&D)

3.4.2 Social Performance

(1) Employees

The Company emphasizes unity among employees, working together in a peaceful and facilitating atmosphere, and gives employees the opportunity to develop their potential and to utilize their knowledge and ability to help in creating progress for themselves and the Company. The Company provides reasonable and fair compensation and fringe benefits to the employee for example annual checkup, health and life insurance, transportation, hygienic canteen with fair price and free rice, sport facilities, bonus, hardship allowance, annual party and excursion, and provident fund. For security reason, the Company has established Safety, Occupational Health and Environment Committee to regularly control safety such as heat, light, and sound including machineries survey and maintenance.

Personnel

The Company adheres to the principles of human rights in employment and also takes care of employees and personnel. As a result, the employee and personal get a long well as a family. The Company pays remuneration to employees, including salary, overtime, diligence allowance, living allowance, bonus, social security, and the provident fund. The Company has a recruitment process which includes selection, evaluation, compensation, as well as promotion by determining the following indicators: qualifications, diligence, and honesty. In addition to the efficiency and effectiveness of each position are considered in order to reflect the Company's commitment to anti - corruption measures.

Subsidiary company applies remuneration and rules of the parent company

There are 130 employees in 2025

(Unit : person)

Year	PATO		PCC	
	Men	Women	Men	Women
Permanent employees	36	35	-	-
Temporary worker	24	26	1	6
Disabled person	2	-	-	-
Total	62	61	1	6

The Board takes care of the use of human resources consistent with direction and strategy. Employees are knowledgeable and are treated fairly. They get appropriate and right payment. Provident Funds have been set up to provide adequate savings for retirees.

Employees by Gender 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of male employees	66	46.48	67	46.85	63	48.46
Total number of female employees	76	53.52	76	53.15	67	51.54
Total	142	100	143	100	130	100

Employees by Age Group 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of employees under 30 years old	21	14.79	28	19.58	23	17.69
Total number of employees 30 - 50 years old	79	55.63	72	50.35	63	48.46
Total number of employees over 50 years old	42	29.58	43	30.07	44	33.85
Total	142	100	143	100	130	100

Male Employees by Age group 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of employees under 30 years old	10	14.71	14	20.90	12	19.05
Total number of employees under 30 - 50 years old	38	55.88	33	49.25	29	46.03
Total number of employees over 50 years old	20	29.41	20	29.85	22	34.92
Total	68	100	67	100	63	100

Female Employees by Age group 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of employees under 30 years old	11	14.86	14	18.42	11	16.42
Total number of employees under 30 - 50 years old	41	55.41	39	51.32	34	50.75
Total number of employees over 50 years old	22	29.73	23	30.26	22	32.83
Total	74	100	76	100	67	100

Employees by Level 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of employees in operational level	134	94.37	135	94.40	122	93.85
Total number of employees in management level	2	1.41	2	1.40	1	0.77
Total number of employees in executive level	6	4.23	6	4.20	7	5.38
Total	142	100	139	100	130	100

Male Employees by Level 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of male employees in operational level	60	90.91	61	91.04	57	90.47
Total number of male employees in management level	1	1.51	1	1.50	0	0
Total number of male employees in executive level	5	7.58	5	7.46	6	9.53
Total	66	100	67	100	63	100

Female Employees by Level 2023 - 2025

(Unit : person)

Detail	2023	%	2024	%	2025	%
Total number of female employees in operational level	74	97.36	74	97.36	65	97.02
Total number of female employees in management level	1	1.32	1	1.32	1	1.49
Total number of female employees in executive level	1	1.32	1	1.32	1	1.49
Total	76	100	76	100	67	100

Employment of Disabilities 2023 – 2025

(Unit : person)

Detail	Unit	Year		
		2023	2024	2025
Total number of disabled employed	Person	2	2	2
Number of disabled employees	Person	2	2	2
Percentage of the number of disabled employees	%	100	100	100
Number of disabled employees who are non - employees	Person	-	-	-

Human Capital Development

The Company sees the staff at the heart of its entrepreneurship; therefore, the employees are allocated opportunity to participate in self-development so they can make use of the knowledge and ability to make progress for both themselves and the organization. Currently, the Company is organizing and/or sending the employees to trainings suitable for their responsible scopes. Moreover, according to the policy, each employee is required to participate in training sessions of no less than 12 hours/person/year by joining the annual trainings provided by IOD, Stock Exchange of Thailand or SET, the Office of the Securities and Exchange Commission, Thailand Securities Depository, Thai Investors Association, Thai Listed Companies Association, Federation of Accounting Professions, Thai Agro Business Association, Council of Science And Technology Professionals, Social Security Office, Department of Skill Development and Department of Labor Protection and Welfare, Department of Livestock, Ministry of Agriculture and Cooperatives etc.

The Company has been approved with a certificate from the Thai private sector's anti-corruption campaign. The human resource department provided training for directors, executives and employees on topics related to such measures.

Average training hours for employees, employee knowledge, and development expenses

Detail	Unit	2023	2024	2025
Average employee training hours	Hours/Person/Year	12.00	12.00	12.00
Total amount spent on employee training and development	Baht	204,512.00	115,947.00	69,772

Examples the topics of training and sending employees to attend training in 2025, such as

Headquarters	Factory
<ul style="list-style-type: none"> - “First Launch SET Carbon : Digital Solution for Sustainable Business” SET - “Disclosing Information through the SETLink System No. 1/2025 and 2/2025” (SET) - “Research Personnel Development, Training, and Innovation in Research Integrity” (NRCT) - “EUDR and Impact on Thai Industries” (FTI) 	<ul style="list-style-type: none"> - Emergency Control Plan (in case of fire) - Emergency Control Plan (in case of chemical spill) - Basic Firefighting - Fire Evacuation Drills - Occupational Diseases and Environment - Maintenance - Operation and Maintenance of Fire Pump

Headquarters	Factory
<ul style="list-style-type: none"> - “Leading Beyond Questions The Board’s Adaptive Leadership in Driving Organizational Change” IOD - “CYBER VISION 2025” SET - “Employee Wellbeing and Motivation after Crisis” (IOD) - “Seminar to Explain the Guidelines for CGR Project Survey in 2025” (IOD) - “Business Integrity in Action” Transparency Built Through a Whistleblowing Culture” (IOD) - “Enhancing Business Capacity Through the Implementation of ASEAN Model Contractual Clauses to Ensure Secure Data Flows” (PDPC) - “Professional Development Program for Company Secretary” (Thai LCA) - “Enhancing Sustainability Disclosure in Accordance with ISSB Standards” (SEC) - “Board Meeting Management” (SET) - “Labor Laws on Employee and Employer Contributions to the Employee Welfare Fund” (DLPW) - “Multilateral Collaboration for Sustainability (Phase II)” (SEC) - “IT VISION 2025 : AI Cyber Security : Smart Defense Against Cyber Threats” SET - “Preparation of the e-One Report to Annual Report” (SET) - “Preparation of the Stakeholder Report and Internal Information Usage Policy” (SET) - “Key points on Guidelines to Enhance Sustainability Disclosure under ISSB Standards” (SEC) - “Intensive Preparation for a Full Score” (TIA) - “Revolutionizing Internal Controls with AI : Enhancing Protection for Businesses” (SET) - “Financial Reporting Standards on Sustainability Disclosure : IFRS S1 / IFRS S2” (SEC) - “Early Awareness, Effective Prevention : The Role of the Company Secretary in Preventing Insider Trading” (SET) - “Seminar on CGR Project Survey Criteria 2027” IOD - “e-Learning CFO’s Refresher Course (Thai Language) (Special Session) 2025” SET - “Guidelines on Asset Accounting and Depreciation in Compliance with Financial Reporting Standards” Dharmniti Seminar and Training Co., Ltd. - “Tax Law Updates with a Review of Tax Incentives Before Tax Filing 2025” Dharmniti Seminar and Training Co., Ltd. - “Cost Data Analysis for Accountants to Increase Organizational Profitability” Dharmniti Seminar and Training Co., Ltd. 	<ul style="list-style-type: none"> - Receiving and Storage of White Spirit 3040 - Receiving and Storage of Xylene from Truck - Sampling of Imported Raw Materials and Finished Products - Quality Inspection Methods of Raw Materials, Imported Finished Products, and In-House Manufactured Products - First In, First Out (FIFO) Arrangement of Finished Products - Issuance and Movement of Raw Materials - Liquid Formulation Mixing - Granule Formulation Mixing - Safety Plan for the Storage of Hazardous Materials - Control of Nonconforming Products - Purchasing and Supplier Evaluation - Quality Manual - Environmental Manual - Employee Participation (EP) - Process Safety Information (PSI) - Process Hazard Analysis (PHA) - What-If Risk Assessment - Operating Procedures (OP) - Personnel Training (TR) - Pre-Startup Safety Review (PSSR) - Mechanical Integrity (MI) - Management of Change (MOC) - Trade Secrets - Compliance Assessment Audit (CA) - Control of Personnel Access to Work Areas and Work Permit Procedures (Hot Work) - Emergency Response - Incident Investigation - Analysis of Incident Causes (Why - Why Analysis Method)

Project of Low Accident in Work Place

The Company operates to reduce workplace accidents by following the guidelines below.

1. Finding risk place where accidents may occur in work place.
2. Preparing plans against conflagration, chemicals spilled/leaked together with practice, evaluation, and review of the plans once a year.

3. Providing protector devices and arranging emergency response that suit the situations.
4. Training with understanding on how to; safety perform, control, solve, retrain, and mitigate hazards that may occur during operation, however, ones must follow MSDS (Material Safety Data Sheets). The operation will be controlled by staff who have a Qualification Certificate of safety or Safety officer.

According to the plan, numbers of accident in the work place is low and no serious accidents reported so far. Report submitted to the Department of Labor Protection and Welfare, Ministry of Labour on quarterly basis for 2023 - 2025 is as follows:

Number of Working Hours

Detail	Unit	Year		
		2023	2024	2025
Total number of hours worked by employees	Hours	1,883.00	1,869.00	1,876.00

Statistics on Injuries or Accidents from Work

Detail	Unit	Year		
		2023	2024	2025
Total number of lost time injury incidents by employees	Case	2	1	1
Total number of employees that lost time injuries for 1 day or more	Person	2	1	1
Total number of employees that fatalities as a result of work - related injury	Person	0	0	0

Total number of employee turnover leaving the Company voluntarily to total number of employees

Employee Relation and Engagement

Detail	Unit	2023	%	2024	%	2025	%
Total number of male employee turnover leaving the Company voluntarily	Person	11	44.00	27	57.45	13	46.43
Total number of female employee turnover leaving the Company voluntarily	Person	14	56.00	20	42.55	15	53.57
Total number of employee turnover leaving the Company voluntarily to total number of employees	Person	25	100	47	100	28	100

In the past, the Company created these projects for unity and loyalty organization, ongoing projects are as follows:

Renewal of retiree project

As of September 2025, number of elderly people aged from 60 years old is 13,994,045 or 20.58% of total population of 65,846,560. The elderly people separated into 6.2 million male and 7.8 million female. (Information from Department of Provincial Administration) The %age of above 10% of total population means that Thailand is completely moving to aging society. But in fact, the elder people in Thailand still have healthy body and mind. They can work efficiently from the experiences gain. The Company has policy for retired

employees who still have the capability and have directed experience, healthy, and still want to help company. The renewal project will be considered annually from accomplishment, capability and willingness. This is a morale support for those who dedicate to the Company and willing to work to avoid being burden of families.

15 Minute nap to have healthy brain project

Researches show that sleeping during midday about 10-20 minutes is the time that your body stays in the Non-Rapid Eye Movement (NREM) period. When you wake up, you will feel refreshed and rejuvenated and your brain gets full rest which helps increase work performance. This is called “Power Nap”. This is the reason why the Company encourages management and staff to take 15-20 minute nap after lunch. The project receives good cooperation from employees. Turn out the light after lunch break, not only help the Company to save energy, but the employees also can get some rest and wake up with freshness

Project of the same family

The Company has committed themselves to create and enhance the affections and unity in the workplace to strengthen the teamwork spirits among the employees and management team. The Company parties and trips have been arranged by including the employees’ family members without cost. The Company regulations become flexible as appropriate where everyone accepts. The examples of these successful activities included:

- When the schools are closed, the employees’ siblings, nephews or nieces are allowed to work on internship program to support their families, explore the new working experiences and spend their time in more creative and useful way.
- Job recruitment for new positions or retiree replacements will first be offered to employees’ family members. If no suitable candidate, the positions will be opened to external applicants.
- Communication, questions and answers, complaints, and beneficial information to quality work of life among employees are done via Social Network Application for the same and equal understanding and practice.

People with disabilities work at home project

The government aid measure ask private sector to support people with disabilities to have the opportunity to work, earn money with welfare and get self-esteem not feeling to be family’s or society’s burden.

The Company employ these people with disabilities by allowing them to work at home so as to save expenses and increase safety. Public transportation or devices to facilitate people with disabilities are not completely ready in Thailand.

Project of health promotion

The annual medical check-up has been provided to all employees, moreover, employees’ family can attend this program at special discount price from hospital that join the Company’s project. The health and personal accident insurance schemes have been applied for everyone, apart from the social security insurance. Use of drugs has been prohibited in the workplace. The annual blood test for employees and workers at factory in searching for residue in blood is provided and residue report has never been founded.

(2) Customers and Satisfaction Management

Pato Chemical Industry PCL. is committed to customer responsibility and continually develops products to meet customer demand and satisfaction with honesty and ethics. The Company has obtained ISO 9001:2015 and ISO 14001:2015 certifications across all operations. Modern machinery and technology are utilized in combination with efficient management. In addition, the Company focuses on sustainable business operations that take into account social and environmental, along with the production of agricultural chemicals that are highly safe for farmers. This enhances customer confidence in current operations and strengthens competitive capabilities to support sustainable growth. Customer satisfaction surveys are conducted annually, covering six topics:

1. Product variety 2. Product quality 3. On-time delivery 4. Pricing competitiveness 5. Sales service and follow-up 6. Promotions.

In 2025, the Company conducted a customer satisfaction survey and achieved an average score of 3.33 out of 4. The highest average scores were recorded for sales service and follow - up, product quality, product variety, and on - time delivery with average scores of 3.64, 3.56, 3.44, and 3.42, respectively. This represents an average score of 82%, which is considered satisfactory. Customer feedback and suggestions provide the Company with an opportunity to consider and improve its services in order to ensure sustainable customer satisfaction in the future.

The Company continuously organizes projects to meet customer needs as follows:

(2.1) Distributers

Project of profit rebates to customers

The Company has set out the policy to strengthen relations with the customers by implementing the following conducts:

1. Communicate with customers honestly and sincerely.
2. Provide speedy delivery service.
3. Facilitate easy access to the sales staff and welcome negotiation and bargaining with special business promotion.
4. Recognize the importance of representative customers and focus on the retail business instead of the wholesale one in order to eliminate the problem of “big fish hunt small fish”
5. The Company has realized the importance on honoring the promise which they have given to the customers.

What's more is that the Company has availed themselves for the profit rebates given to the customer at the year end. It is found that the customers have preferred the profit rebates. This project has been successful and made the customers place their royalty to the Company for more than 40 years.

(2.2) End User

Project of low toxic residue products to farmers and environment

PATO intends to research for approval of registration for import and production of agricultural chemicals. that are safe for farmers and environment and have received approval as follows :-

- Isoprothiolane 41.76% w/v EC. (Fuji-One) from Japan, which can be used as an element for herbicide to cure plant diseases i.e.; Rice Blast Disease



- **Bispyribac-Sodium 20% WP** from China, used for controlling narrow - leaf weeds in paddy fields i.e. jungle rice, birds rice, wrinkle duck - beak, Broadleaf weeds i.e.; gooseweed, Sedge i.e.: umbrella sedge, small flower umbrella sedge, and tall fringe rush.
- **Fenpyroximate 5% w/v EC. (Ortus)** from Japan, used for killing mites in plantation of orange, papaya, durian, rambutan, longan, chili, lime, and cassava and Kansawai spider mite in rose gardens and orchid farms.
- **Buprofezin 40% w/v SC. (Applaud 40 SC)** from Japan, used to control brown plant hoppers in rice field and cotton leafhopper.
- **Fenoxaprop-P-ethyl 6.9% EW (Patoweed 6.9)** used to control weeds in wet seeding rice field (apply as post emergence) to control narrow leaf weed such as jungle rice and little ironweed.
- **Azoxystrobin 25% W/V SC** used to control and get rid of Black anther in orchid caused by Colletotrichum.
- **Fluazifop-P-butyl 15% W/V EC**, used to control narrow - leaf weeds as post - emergence in the Magnoliopsida as main crop, such as; jungle rice, little ironweed, fingergrass, Rhopalephora scaberrima, in vegetables like garlic, peas, peppers, eggplant, cassava and cotton.
- **Pyrazosulfuron-ethyl 10% WP**, used as post - emergence in wet seeded rice production and transplanting rice cultivation to control small flower umbrella sedge, common fringe - rush, and broad - leaf weeds such as; pickerel weed, goose weed, Fern and Water clover.
- **Hexaconazole 5% W/V EC**, fungicide used to control sheath blight disease in rice field, dirty panicle disease in paddy, anthracnose in grapes and mangoes, purple blotch in onion, rust, and leaf blight etc.
- **Ethephon 48% W/V SL**, hormone used for plant flowering and ripening such as pine - apples, tomatoes etc.
- **Gibberellic Acid 2% W/V SL**, hormone used to cross - pollinate flowers for cucumbers, induce fruiting for oranges, tomatoes, grapes, induce the development of flowers, and induce cell growth.
- **Quinclorac 47%+Pyrazosulfuron ethyl 3% WP**, used as post - emergence in wet seeded rice production to control narrow-leaf weeds such as; rice weeds, broad - leaf weeds such as goose weed and sedge such as small flower umbrella sedge and Snake's bread.
- **Oxadiazon 25% EC**, trade name Oxato 25, herbicides used in dry broadening paddy fields.
- **Captan 80% WG**, trade name Patocide 80, herbicide used to prevent brown spot disease in rice, prevent leaf spot disease in orchids.
- **Glufosinate-amonium 15% W/V SL**, (Patobas) Post - emergence herbicide in palm plantations. Narrow - leaved weeds such as Goose grass, Tropical Carpet grass, Southern Sandbur, and Wire grass. Broad-leaved weeds such as Goat Weed, Creeping Foxglove, and Button weed.
- **Cyhalofop-butyl 10% W/V EC**, (Granto) Post-emergence herbicide in sown field such as Jungle Rice, Little Iron weed.
- **Metalaxly 35% DS**, (Patolaxil) herbicide to protect Downy Mildew in sweet corn.
- **Fipronil 0.3% GR**, (Patodan) insecticide to protect Sugarcane borer.
- **S-metolachlor 96% W/V EC**, used as a pre-emergence herbicide in sugarcane to control narrow - leaf weeds such as little ironweed, goosegrass, running grass, jungle rice, and anemathela lessoniana, as well as broad-leaf weeds such as black pigweed.
- **Pretilachlor + Pyribenzoxim 30% + 2% W/V EC**, used as a post - emergence herbicide in wet seeded rice production to control narrow-leaf weeds such as jungle rice, little ironweed, barnyardgrass, and wrinkle duck-beak, as well as broad-leaf weeds such as gooseweed, water primrose, and sedge such as small flower umbrella sedge and snake's beard.
- **Ethiprole 10% W/V SC**, used to control thrips in sweet corn.

The campaign for proper and safe use of chemicals

Proper dress code for safety

The Company had studied until the conclusions appeared that Thaifarmers have preferred the check shirt than anything. Therefore, the Company had a shirt vendor supplied good quality check shirts which were used as premium freebies for the Company products to boost sales volume. At present, more than 300,000 shirts have been distributed to Thai farmers nationwide and it was pleased that the shirts were well used by the farmers; moreover, some of the farmers were wearing in daily life. Furthermore, the Company has launched a campaign of gloves wearing while applying, mixing, or spraying agrochemicals. The Company has attached a pair of rubber gloves together with granule agrochemicals for farmers to use while sowing the chemicals into the fields.

Project of free soap and detergent

Research of soap and detergent favorable among farmers had been conducted. Brand and type approved is distributed as a gift in the packages of agrochemical for customers in order to encourage the importance of cleaning body and clothes after the use of agrochemicals. The outcome has been successful and well accepted as well.

(3) Community and Society

The Company operates the business with a responsibility to the community and society. Focusing on minimizing environmental impact and avoiding operations that may have a negative impact on the quality of life in nearby communities, therefore, PATO chose to set up a factory in an industrial estate. In 2025, the Company did not find any complaints from the community on social or environmental issues.

In addition, the Company has always been involved in improving the quality of life and promoting participation in the community, especially in education, because we believe education will help develop the country. Ongoing projects as follows:

Education and Opportunity for Orphans

The children will be taken care off and given opportunity to study in 4 sections; elementary school, secondary school or vocational education, and university. This project has supported as many as 300 orphans for university graduation so far. Pato and its executives have supported the scholarship for students from elementary school to university level for 14 consecutive years.

Donations in 2025

- Financial Support for the Restoration of a Fire-Damaged Building, Ramathibodi Foundation
- Scholarships for Master's Degree Students, Mahidol University Alumni Association
- Financial Support for a Football Competition, Ban Hua Mon School
- Funding Support for Children's Day and Sports Day, Watuthaitharam School
- Research Funding for the Thai Association for Medical Instrumentation, Mahidol University
- Scholarships for Orphans, Rajpracha Samasai Foundation under the Royal Patronage

In addition, The Company has participated in the religious ceremonies as appropriate.





4. Management Discussion and Analysis

Financial statements, information analysis of Pato Chemical Industry Plc. and its Subsidiaries.

(Unit : Thousand Baht)

The performance of PATO Chemical Industry Plc and subsidiary indicated net profit (loss) totaled THB 70.84, 85.95 and 64.88 million in 2023 - 2025 respectively. These figures represent an increase or a reduction percentage of 57.71, 21.33 and (24.51) respectively.

In 2023,

the International Monetary Fund (IMF) forecasts that the global economy will expand by 3.0%. This growth rate represents a slowdown compared to 2022, primarily attributed to various factors impacting the ongoing recovery of the world economy. These factors include a deceleration in services, tourism, and production. Additionally, many countries have raised their policy interest rates to counteract inflationary pressures. The projection anticipates a decrease in the world's overall inflation rate in 2023 compared to 2022. However, it is expected to remain at a level higher than the norm.

The United States economy grew by 2.1 %, driven by improved business investment and recovering consumption. This positive trend is reflected in the low unemployment rate.

The Eurozone economy (Germany, France, Italy, and Spain) expanded by 0.7 %. The economies of France, Italy, and Spain continued to grow, while the German economy, the largest in the group, experienced a contraction. This contraction is attributed to the strict monetary policy of the European Central Bank, which has consistently raised the policy interest rate, leading to a slowdown in economic activity.

Japan's economy expanded by 2.0 %, attributed to the tourism sector's recovery and policy support to stimulate economic growth. Additionally, the automobile exports rebounded from supply chain problems.

China's economy expanded by 5.0 % due to the relaxation of measures to control the spread of COVID-19. Since the end of 2022 and the opening of the country in 2023, there has been an increase in economic activity and domestic spending. This includes the recovery of the service sector. However, there are still significant risk factors, such as the unresolved situation in the real estate sector, risks related to the situation with Taiwan, and structural problems along with policy uncertainty.

The economies of the ASEAN 5 countries (Indonesia, Malaysia, Philippines, Thailand, and Vietnam) expanded by 4.2 % due to increased private consumption. However, exports are still slowing down, reflecting the economic conditions of trading partners and the ongoing conflict situation between Russia and Ukraine, which is affecting the economy. Meanwhile, inflation in the ASEAN 5 countries remains high, leading the central banks to implement strict monetary policies.

Regarding the economic situation in Thailand, it is influenced by the global economy. The Thai economy is expected to expand by 2.5 % in 2023, indicating a slowdown. There are significant factors and assumptions with important impacts, including the slowing down of merchandise exports in line with trading partners' economies. Public investment in 2023 decreased due to changes in the investment budget limit

for the financial year 2023 and a reduction in the investment budget limit for state enterprises in 2024. This resulted in lower-than-expected investment budget disbursement in the last quarter of 2023. Government budget disbursement has been delayed, causing the disbursement amount to be lower than estimated.

In terms of private sector consumption, it is still expanding at a high level and is likely to continue growing following the recovery of the labour market. Additionally, the tourism sector is improving, with exception measures such as visas for tourists from China, Kazakhstan, Russia, India, Taiwan, etc., encouraging more foreign tourists to visit. Further tourism promotion measures from the government, such as the “Unseen New Chapters” and the “Amazing Thailand NFTS” project, will help support the improvement and continuation of domestic tourism in 2024.

The overall Thai agricultural economy in 2023 expanded by 0.3 % compared to 2022, especially in the crop sector, which slowed down by 1.3 % compared to 2022, affected by positive and negative factors as follows: during in the first half of 2023, there is sufficient water in important reservoirs and natural water sources for crop cultivation, as well as favourable weather conditions. Make farmers expand their area Cultivate and produce more Prices of many agricultural products are good. Incentivize farmers to increase production and have more maintenance. The Thai economy in the service and tourism sectors expanded better. and continuously causing the production and trade sectors to recover better There is an increase in the employment of workers. People have more income and purchasing power. As a result, the demand for agricultural products increases. Including benefiting from the policies of the world’s largest producer and exporter of agricultural products like India. which experienced severe natural disasters This has caused damage to agricultural products and there is concern that the amount of production will not be sufficient to meet domestic consumption needs. Therefore, there is a restriction or suspension of the export of farmers’ products and certain products such as rice and sugar, causing countries to There is an increased demand for importing agricultural products from Thailand.

However, negative factors include unstable weather conditions and the onset of the El Niño phenomenon. In early 2023, the eastern region, a crucial fruit-producing area in Thailand, experienced heavy rain and strong winds, resulting in damage to durian crops. In July, the El Niño condition set in, causing a delayed rainy season and a subsequent period of drought. The reduced water levels in various sources were insufficient for cultivation, affecting the growth of agricultural products. This increased production costs for farmers, leading to a decline in both quantity and quality of produce. Exports decreased as the economies of trading partners slowed down, and the high inflation rate caused a reduction in consumer purchasing power. Additionally, the effects of wars between Russia and Ukraine, Israel and Hamas, and global geopolitical tensions between China and the United States have impacted global supply chains and international trade.

In 2024,

The International Monetary Fund (IMF) expects the global economy to expand by 3.2% in 2024, slightly slow down compared to the 3.3% expansion in 2023, due to the economic growth in the Eurozone, emerging market countries, and developing countries will slow down from disruptions in industrial production and the transportation of commodities, especially oil, as well as geopolitical conflicts and severe climate change. However, factors contributing to the good economic expansion stem from the economic growth of the United

States, and emerging markets in Asia continue to grow due to demand in the semiconductor and electronic device industries that use AI technology. Global inflation in 2024 is expected to be 5.8 %, down from 6.7% in 2023, but still above normal levels.

The US economy is expected to expand by 2.8 %, as consumer spending increased in line with rising wages.

The Eurozone economy (Germany, France, Italy, and Spain) is expected to expand by 0.8 %, due to increased services and exports, especially consumer goods. The increased private consumption was from the decline in energy prices and inflation.

Japan's economy is expected to expand by 0.3 %, slowing down compared to the previous year's 1.7 % expansion, due to the Bank of Japan's policy of interest rate hike, the weakening of the yen, supply chain disruptions in the automotive industry, and a decline in private investment in the first quarter of 2024. However, the increase of domestic consumption demand and tourism have kept the Japanese economy expanding.

China's economy is expected to expand by 4.8 %, slightly slowed down compared to the previous year's 5.3% expansion, due to continued risks from real estate debt burdens and low consumer confidence, despite the increasing exports.

The ASEAN-5 region (Indonesia, Malaysia, the Philippines, Thailand, and Singapore) economy is expected to expand by 4.5%, the same as the previous year, due to the increase private consumption and electronics exports.

The Thai economy has been also affected by the economic situation. The Thai economy in 2024 is expected to expand by 2.6 %, with key influencing factors and assumptions including: exports exceeding expectations due to demand for electronic goods, coupled with a trend of continuous export growth to the United States in the period before the announcement of President Trump's import tariff increase; investment and government consumption expanding from a low base effect, resulting from delayed disbursement of the 2024 budget. Private consumption continues to expand due to the increasing number of tourists as the tourist season begins. Additionally, the 2024 economic stimulus package through state welfare cardholders, and people with disabilities, helps increase consumption.

The overall Thai agricultural sector is expected to contract by 0.3% in 2024 compared to 2023. The crop sector contracted by 1.7% in 2024 compared to 2023, affected by both positive and negative factors as follows: the Thai economy improves and is likely to continue to expand, especially in terms of consumption and exports, leading to increased demand for agricultural products and food supply; the prices of many agricultural products in the past year have been good, which is an incentive for farmers to have higher crop yield and take better care of their crops for better quality products, including strict and continuous prevent and control plant diseases; the government's policy to develop potential of crop yield and manage agricultural products to meet market demand; promoting the use of technology and innovation in agricultural production and processing; upgrading agricultural products to be of high quality and meet standards; water management to cope with various disasters; and increasing channels for farmers to access and utilize of information for agricultural planning and risk mitigation.

The impact from negative factors is from volatile weather conditions due to the El Niño-La Niña phenomenon. In early 2024, the El Niño phenomenon continued from 2023, resulting in less rainfall than the previous year. Extremely hot and dry weather conditions affected the cultivation and growth of several major crops, leading some farmers to suspend or adjust their planting. In September 2024, the La Niña phenomenon caused monsoons and heavy rainfall, resulting in a large amount of accumulated water, floods, and flash floods in many areas of the North and Northeast. This resulted in damage to some agricultural products. From November to December 2024, floods in the South caused damage to some agricultural areas. This was compounded by the impact of the slow recovery of the global economy from geopolitical conflicts in many regions around the world, such as Russia and Ukraine, and Israel and Hamas. This affected energy prices, causing the prices of many production factors to rise, such as fuel oil, chemical fertilizers, pesticides, and animal feed ingredients, leading to higher production costs. Some farmers have, therefore, reduced and adjusted the use of fertilizers and animal feed so as to reduce production costs, and thus, affected the quantity and quality of production. The economies of some trading partners also continued to slow down, affecting trade and demand for Thai agricultural products.

In 2025,

The International Monetary Fund (IMF) expects the global economy to expand by 3.2% in 2025, a slightly slow down compared to the expansion in 2024, due to improved trade negotiations between the United States and various countries, trade tensions have eased. Furthermore, the private sector has adapted quickly by accelerating shipments to the U.S. before tariffs take effect. As a result, the global economy is projected to continue expanding in 2025.

However, several other factors will continue to impact the global economy, including uncertainty surrounding trade policies and the high levels of existing tariffs, which could affect future production costs; geopolitical tensions that may disrupt global supply chains and drive up commodity prices; and the rapid growth of artificial intelligence (AI), with investment in AI becoming a key driver of increased productivity and economic growth.

The U.S. economy expanded by 2.0%, slowing from 2.8 % in 2024, due to economic policy uncertainty - particularly protectionist trade measures that increased import costs, affecting domestic consumption and supply chains, and contributing to a slowdown in employment. However, increased imports and investment resulting from accelerated shipments prior to the implementation of tariffs, along with fiscal stimulus under the One Big Beautiful Bill Act (OBBBA) and interest rate cuts, helped mitigate the impact.

The Eurozone economy (Germany, France, Italy, and Spain) is expected to expand by 1.2 %, up from 0.9% in 2024, driven by the recovery in private consumption supported by rising wages and fiscal stimulus measures, particularly in Germany.

Japan's economy is expected to expand by 1.1%, up from previous year's 0.1%, driven by the recovery of domestic demand, particularly, private consumption is expected to increase due to rising wages, as well as higher private investment.

China's economy is expected to expand by 4.8 %, slowing down compared to the previous year's 5.0% expansion, driven from better-than-expected economic activity in the first half of 2025. A significant

reduction in tariffs between the United States and China boosted export momentum, coupled with a weaker yuan. However, while exports to the United States is expected to decline, overall exports to other countries are expected to increase.

The ASEAN-5 region (Indonesia, Malaysia, the Philippines, Thailand, and Singapore) economy is expected to expand by 4.8%, slowing down compare to the previous year's 5% expansion, despite declining exports due to US trade protectionist measures and the global economic and trade slowdown affecting industrial production, the overall economies of ASEAN-5 are expected to continue to grow.

The Thai economy has been also affected by the global economic situation. The Thai economy in 2025 is expected to expand by 2%, with key influencing factors such as, private consumption is expected to expand, partly driven by government stimulus measures. Private investment also will grow well, particularly in the electrical appliance manufacturing, machinery manufacturing, automotive manufacturing, and digital industries. Government spending will be increased, especially investment expenditure. However, constraints remain due to the impact of US import tariffs, a slowdown in the tourism sector, high levels of household and business debt, volatility in agricultural commodity prices, and fluctuations in the global economic and trade system, resulting in a decrease in the average inflation rate.

The overall Thai agricultural sector is expected to contract by 3.3% in 2025 compared to 2024. The crop sector expanded by 4.6% in 2025 compared to 2024, affected by both positive and negative factors as follows: Rainfall increased continuously from the end of 2024 to the beginning of 2025, resulting in more water in reservoirs and natural water sources than in the previous year, which were sufficient for crop cultivation during the dry season. Combined with generally favorable weather conditions for crop growth, this enabled farmers to expand their cultivated areas and cultivate more crops than in the previous year. Continuous field management, including maintenance and disease prevention, effectively controlled plant and animal disease outbreaks. Furthermore, government policies aimed at promoting agricultural development and addressing agricultural challenges, such as natural disaster preparedness, water management, and promoting the use of technology and innovation to enhance production potential and upgrade agricultural products to meet quality and standards, along with the expansion of the Thai economy, particularly in private consumption, and government economic stimulus measures, all contributed to increased demand for agricultural products and food.

Negative impacts from various storms and natural disasters that occurred in Thailand in 2025, including heavy and prolonged rainfall causing flooding, particularly storms "Vipa" and "Kajiki" which affected northern, upper northeastern, and central regions, resulted in damage to certain agricultural products. In addition, stricter trade barriers and US import tariffs slowed the economies of many trading partners, thereby affecting Thai agricultural trade and demand. International conflicts also disrupted global supply chains and trade, slowing thee global economic recovery. Furthermore, the appreciation of the Thai baht reduced the competitiveness of Thai agricultural products and exports, leading a decline in export value, and consequently affecting domestic agricultural production and prices.

By various factors as mentioned above, the operation results of the Company over the past 3 years can be summarized as follows:

Performance of the Company from 2023 – 2025 were as follows:

Unit- Million Baht

	2023			2024			2025		
	Amount	%	% Change	Amount	%	% Change	Amount	%	% Change
Sales Revenue	593.22	100.00	32.71	627.44	100.00	5.77	483.83	100.00	(22.89)
Other Revenue	4.49	0.76	277.55	6.55	1.04	46.11	7.25	1.50	10.65
Total Revenue	597.71	100.76	34.47	633.99	101.04	6.07	491.08	101.50	(22.54)
Cost of Sales	(436.69)	(73.61)	34.08	(499.95)	(71.71)	3.04	(337.84)	(69.83)	(24.92)
Gross Profit	156.52	26.39	29.02	177.49	28.29	13.40	145.99	30.17	(17.75)

In 2023,

the Thai economy experienced slight expansion, influenced by the global economic conditions in foreign countries such as the United States, the European Union, Japan, China, and the ASEAN 5, as mentioned above. This led to a slowdown in export values, aligned with the economies of trading partners, consequently affecting the economic situation in the agricultural sector compared to the previous year.

There were both positive and negative factors. In the first half of 2023, sufficient water in reservoirs and natural sources, coupled with favourable weather conditions, boosted productivity and ensured good prices. This served as an incentive for farmers to produce quality goods. However, the interruption of the rainy season and the onset of the El Niño condition in the second half of 2023 led to drought, decreasing water levels and affecting the growth of various crops, including rice, pineapple, oil palm, rubber, and longan.

Persistently high cost of production factors, such as fuel, chemical fertilizers, and animal feed raw materials, increased production costs, impacting both quantity and quality of output. The slowdown in the economies of trading partners, coupled with rising inflation in many countries, diminished consumer purchasing power. The ongoing war between Russia and Ukraine, conflicts like Israel and Hamas, and strategic competition between China and the United States further disrupted global supply chains and international trade, contributing to a slow recovery in the world economy.

Nevertheless, there were positive factors in other sectors that contributed to the improvement of the Thai economy. The service and tourism sectors continued to expand, leading to a recovery in production and trade, increased employment, and enhanced consumer purchasing power. Additionally, the result of India's policies, which have restricted or suspended the export of agricultural products like rice and sugar due to severe natural disasters damaging their agricultural output. There is a concern that the production quantity may not be adequate to meet domestic consumption demands. Consequently, other countries are now increasing their demand for importing agricultural products from Thailand.

Considering the above factors, sales in 2023 totalled 593.22 million baht, reflecting a 32.71 % increase. The cost of sales amounted to 436.69 million baht, showing a 34.08 % increase, resulting in a gross profit of 156.52 million baht, a 29.02 % increase. The important issues can be summarized as follows:

1. The factor affecting the global economy is the war between Russia and Ukraine causing continuous effect to world oil price fluctuated throughout the year. Currently, the volatility has decreased, inflation has declined, but is still at a higher rate than usual. Overall product prices tended to decrease, causing the cost of imports start to decrease, but still higher than normal, such as the price of chemical fertilizers which have increased significantly and tend to decrease. This also includes pesticides whose use processes are related to the use of chemical fertilizers. As a result, the cost of pesticides tends to be in the same direction. It was still affected by the baht volatility. The Company had to conservatively take into consideration of the seasonal timing of imports for production and distribution, so that they do not lead to overstocking and eventually getting stuck with unworkable high costs and causing higher selling prices, affecting sales in the market.
2. Although the above economic conditions began to show a better trend, including the recovery of the tourism and higher private consumption. Including agricultural products, there is a tendency for prices to increase as well. In particular, the prices of in - season rice and off-season rice increased when compared to the same period of last year. The decrease in productivity is due to a shortage of water because of the drought and causing the outbreak of pests. The Company is still affected by the average cost of inventory raw materials, which have a high cost from the effect of the volatility of the depreciated baht and have to be formulated to meet market demand. The increased labor costs and production overheads caused higher production costs. Therefore, it is a factor in considering importing goods for production and distribution, taking into account the seasonal use period in order not to produce too much inventory, so that they do not lead to overstocking and eventually getting stuck with unworkable high cost and causing higher selling prices, affecting sales in the market.
3. From the above factors, it has been observed that many farmers are facing higher prices for chemical fertilizers, which is an important factor in cultivation, leading to higher costs than usual. The cost will increase even more for farmers who do not have their own land and have to rent farms for cultivation. The orders from the distributors fluctuated in response to market demand. Orders have been placed in sufficient quantities on a just-in-time basis in order not to store too many high - cost products. Market demand has increased due to the price of rice, which increased greatly, and the severe outbreak of rice stem borers in the rice fields. As a result, various pesticides in rice fields have increased in sales volume compared to last year. Severe natural disasters in India causing the government to apply a policy to restrict and control the export of agricultural products, such as rice and sugar. The demand of agricultural products from Thailand hence increased, and resulting in total sales to increase.
4. In addition, price competition intensity in the market increased compared to last year. Although the overall import cost price tends to decrease, there are some products whose import prices have dropped dramatically and continue to decline. In order to maintain market share, the Company has to adjust the selling price according to current market conditions, resulting in reduced profits. Current market conditions, multinational suppliers have entered the competition at dealer customer

level in Thailand, which is the Company's main target group. As a result, price competition to maintain market share is even more intense and affects the performance of the Company.

Analysing the specifics of the sales in 2023 compared to the previous year, it was observed that sales increased for all product types, including Commodity Products and Specialty Products, such as pesticides, herbicides, fungicides, and pesticides in granular, liquid, and powder forms. This surge in demand was primarily driven by the escalating pest outbreaks, particularly severe infestations of rice stem borers, leading to an increased demand in the market.

The overall production volume of products increased in proportion to the sales volume. Raw material prices tended to decrease. Meanwhile, the value of the baht fluctuated and depreciated throughout the year, resulting in a decrease in the cost of importing raw materials. However, it still remained higher than normal. Additionally, the prices of raw materials purchased within the country increased due to the impact of rising energy prices from the war between Russia and Ukraine. These factors influenced the cost of goods, prompting careful consideration of importing for production and distribution, while taking into account the seasonal period of use. The aim is to control the quantity of products produced, ensuring inventories are not excessive. Meanwhile, the production process still requires more labour to adequately support production, necessitating the procurement of labour from external companies. Consequently, labour costs increased by 17.58 % compared to last year.

Production overheads increased by 21.28 % compared to the previous year due to the rise in production volume. This led to an increase in production overhead per unit. Additionally, other factors contributed to a 34.08 % increase in the cost of sales compared to the previous year. As a result, the gross profit in 2023 amounted to 156.52 million baht, or 26.39 %, representing an increase of 35.21 million baht, or 29.02 %, compared to the previous year. The rate of increase in the cost of goods sold is higher than the rate of increase in sales. This indicates the impact of external factors, including the global economic downturn, among others. Nevertheless, the Company has efficiently managed costs, achieving a satisfactory level of gross profit in the current situation.

The other income in 2023 amounted to 4.49 million baht, marking an increase of 7.02 million baht or 277.55 % compared to the previous year. This figure encompasses investment income of 1.19 million baht, reflecting a decrease of 2.14 million baht or 64.23 %. This decrease is attributed to the impact of the fluctuating stock market situation throughout the year. The Stock Exchange Index, as of December 28, 2023, closed at 1,415.85 points, down from the closing on December 30, 2022, which stood at 1,587.20 points, representing a decrease of 171.35 points. This decrease resulted in losses from selling investments and increased unrealized losses due to changes in investment values. Dividend income also experienced a decrease. In terms of foreign exchange profits, they amounted to 3.19 million baht, showing an increase of 9.78 million baht or 148.42 %. This increase can be attributed to the risk prevention policy against fluctuating exchange rates throughout the year. This was achieved through the use of Forward Contracts and T/R transactions in both dollars and the baht currency. Due to the baht's most significant weakening in the third quarter and subsequent strengthening in the fourth quarter, the Company strategically repaid T/R debt and settled foreign trade creditors during favourable opportunities and with appropriate exchange rates. This prudent approach resulted in increased foreign exchange profits. Moreover, other income includes

proceeds from selling expired packaging materials, old equipment, and vehicles.

In 2024,

the Thai economy experienced slight expansion, influenced by the global economic conditions in foreign countries such as the United States, the European Union, Japan, China, and the ASEAN-5, as mentioned above. Although the export value expanded in line with the economies of trading partners, the overall agricultural economic situation in 2024 contracted by 1.10 % compared to 2023. In 2024, crop sector contracted by 1.70 % compared to 2023, with negative factors from the occurrence of the El Niño phenomenon from 2023 to early 2024, resulting in less rainfall than the previous year. The severe hot and dry weather affected the cultivation and growth of many important crops, causing some farmers to stop or switch to planting certain crops. When entering the La Niña phenomenon in September 2024, Thailand faced monsoons and heavy rains, resulting in abundant accumulated water. There were floods and flash floods in many areas of the North and Northeast and damaged some agricultural products. The prices of many production factors remained high, including fuel oil, chemical fertilizers, pesticides, and animal feed raw materials, resulting in increased production costs, impacting both quantity and quality of the output to decrease. The economies of trading partner countries slowed down, affecting trade and demand for Thai agricultural products. The impact of the war situation between Russia and Ukraine, Israel and Hamas, affected energy prices, the global supply chain, and international trade, contributing to a slow recovery in the world economy.

Nevertheless, there were positive factors in other sectors that contributed to the improvement of the Thai economy are, such as the prices of many agricultural products being in a good condition, encouraging farmers to increase production and keep plants nourished. The trend of continuous expansion in consumption and exports has led to an increase in demand for agricultural products and food supply. In addition, the government's policy implementation in developing production potential and managing agricultural products to meet market demand, promoting the use of technology and innovation in production and processing, upgrading standards and quality, managing water resources to cope with various disasters, and increasing channels for farmers to access and benefit from information for planning and coping with various risks.

Considering the above factors, sales in 2024 totalled 627.44 million baht, reflecting a 5.77 % increase. The cost of sales amounted to 449.95 million baht, showing a 3.04% increase, resulting in a gross profit of 177.49 million baht, a 13.40 % increase. The important issues can be summarized as follows:

1. The factor affecting the global economy is the various wars causing continuous effect to world oil price fluctuated throughout the year. Currently, inflation has declined, but is still at a higher rate than usual. Overall raw material prices tended to decrease, causing the cost of imports start to decrease, but still higher than normal pre - war situation, such as the price of chemical fertilizers which have increased significantly and tend to decrease. This also includes pesticides whose use processes are related to the use of chemical fertilizers. As a result, the cost of pesticides tends to be in the same direction. It was still affected by the baht volatility. The Company had to conservatively take into consideration of the seasonal timing of imports for production

and distribution, so that they do not lead to overstocking and eventually getting stuck with unworkable high costs and causing higher selling prices, affecting sales in the market.

2. Although the above economic conditions began to show a better trend, including the recovery of the tourism and higher private consumption. Including agricultural products, there is a tendency for prices to increase as well. In particular, the prices of in-season rice and off-season rice increased when compared to the same period of last year. Meanwhile, the raw material used to formulate granular insecticide, Cartap Hydrochloride 98% Tech, is in short supply. This insecticide is used in rice fields and has very high market demand, resulting in a significant decrease in imports and a subsequent increase in cost due to the global supply reduction. In addition, the average cost of raw materials tends to decrease but remains higher than normal. Suffer from the impact of the fluctuating value of the baht, the Company still needs to formulate products to meet market demand. The increased labor costs and production overheads caused higher production costs. Therefore, it is a factor in considering importing goods for production and distribution, taking into account the seasonal use period in order not to produce too much inventory, so that they do not lead to overstocking and eventually getting stuck with unworkable high cost and causing higher selling prices, affecting sales in the market.
3. From the above factors, it has been observed that many farmers are facing higher prices for chemical fertilizers, which is an important factor in cultivation, leading to higher costs than usual. However, due to the higher prices of in - season rice and off-season rice, the purchasing power of farmers has increased, resulting in an increase in the market demand for pesticides. The continuous outbreak of pests in rice fields namely, brown planthoppers, stem borers, leaf rollers, blight disease, and dirty panicle disease led to the increase in sales volume of pesticides used in rice compared to last year. It was until September that flash floods struck northern and northeastern regions, and in November - December 2024, there were floods in the South, resulting in damage to some agricultural products. Orders began to decline due to lower demand cuasing from the floods. However, India experienced severe natural disasters causing the government to apply a policy to restrict and control the export of agricultural products such as rice and sugar. The demand of agricultural products from Thailand hence increased, and resulting in total sales to increase. Sales increased in all pesticide categories except for liquid herbicides, powder fungicides, and acaricides due to flooding and not yet in usage season. The rest are sales of product groups of high profit margin.
4. In addition, price competition intensity in the market increased compared to last year. Although the overall import cost price tends to decrease, there are some products whose import prices have dropped dramatically and continue to decline, leading to drop in market prices. In order to maintain market share, the Company has to adjust the selling price according to current market conditions, resulting in reduced profits. Current market conditions, multinational suppliers have entered the competition at dealer customer level in Thailand, which is the Company's main target group. As a result, price competition to maintain market share is even more intense and affects the performance of the Company.



Analysing the specifics of the increasing sales in 2024 compared to the previous year, it was observed that sales increased for all product categories, Commodity Products and Specialty Products, such as insecticides, herbicides, fungicides, and acaricides in granular, liquid, powder and other forms, except for liquid herbicides, powder fungicides, and acaricides, as they are not yet the usage season.

The overall production volume of products increased in proportion to the sales volume. Raw material prices tended to decrease. Meanwhile, the value of the baht fluctuated throughout the year, resulting in a decrease in the cost of importing raw materials. However, it still remained higher than normal. Additionally, the prices of raw materials purchased domestically, increased due to the impact of rising energy prices from the wars among many countries. These factors influenced the cost of raw materials, prompting careful consideration of importing for production and distribution, while taking into account the seasonal period of use. The aim is to control the quantity of products produced, ensuring inventories are not excessive. Meanwhile, the production process still requires more labour to adequately support production, necessitating the procurement of outsourcing labour. Consequently, labour costs increased by 16.02% compared to last year.

Production overheads increased by 8.63% compared to the previous year due to the rise in production volume. This led to an increase in production overhead per unit. Additionally, other factors contributed to a 3.04 % increase in the cost of sales compared to the previous year. As a result, the gross profit in 2024 amounted to 177.49 million baht, or 28.29 %, representing an increase of 20.97 million baht, or a difference of 13.40 %, compared to the previous year. The rate of increase in the cost of goods sold is lower than the rate of increase in sales. This indicates the impact of external factors, including the global slow economic recovery and other factors. Nevertheless, the Company has efficiently managed costs, achieving a satisfactory level of gross profit in the current situation.

The other income in 2024 amounted to 6.55 million baht, marking an increase of 2.06 million baht or a difference of 46.11% compared to the previous year. This figure encompasses investment income of 6.20 million baht, reflecting an increase of 5.01 million baht or a difference of 420.58 %. This decrease is attributed to the impact of the volatile stock market situation during the first 6 months. The Stock Exchange Index started to improve significantly in Q3 and declined in the last quarter. The SET index closed on December 30, 2024 at 1,400.21 points, down from the closing on December 28, 2023, which stood at 1,415.85 points, representing a slightly decrease of 15.64 points. This decrease resulted in losses mostly from selling investments and increased unrealized losses due to changes in investment values totalled 2.92 million baht. Dividend income also experienced an increase of 2.58 million baht compared to the previous year. In terms of foreign exchange losses, they amounted to 0.04 million baht, showing a decrease of 3.23 million baht or 101.31%. This decrease can be attributed to the risk prevention policy against fluctuating exchange rates throughout the year. This was achieved through the use of Forward Contracts and T/R transactions in both dollars and the baht currency. Due to the baht's most significant weakening in the first 6 months and subsequent strengthening by the end of Q4 with the average closing price of the Bank of Thailand on December 30, 2024 at 34.1461 baht to a dollar. The Company strategically repaid T/R debt and settled foreign trade creditors during favourable opportunities and with appropriate exchange rates during end of Q3 and end of Q4. This prudent approach resulted in decreased foreign exchange losses compared

to the previous year. Moreover, other income increased from selling expired packaging materials, old equipment, and old vehicles.

In 2025,

the Thai economy experienced slight expansion, influenced by the global economic conditions in foreign countries such as the United States, the European Union, Japan, China, and the ASEAN - 5, as mentioned above. The overall export agricultural products value and agricultural economic situation in 2025 slightly contracted by 0.4% Y-o-Y. The main export markets for agricultural products that experienced a decline in value include the ASEAN 5 group, the United States, and Japan. Conversely, markets that saw an increase in agricultural export value include China and the Eurozone.

The overall agricultural sector in Thailand is projected to expand by 3.3 % in 2025 compared to 2024. The crop sector is expected to grow by 4.6 % compared to the previous year. This growth is driven by positive factors such as sufficient water for cultivation, favorable weather conditions leading to expanded cultivated areas, continuous field management and disease prevention, effective control of plant diseases, and government policy support. These factors have enhanced production capacity, resulting in improved product quality to meet market standards and increased demand for agricultural products. However, negative factors include natural disasters such as storms and floods causing crop damage, trade barriers such as US import tariffs slowing down the economies of many trading partners and reducing export values; and global conflicts disrupting supply chains and trade competitiveness. These factors have led to decreased demand, lower export values, and consequently, reduced domestic production and agricultural products prices. In summary, the main reasons for this decline are as follows:

Considering the above factors, sales in 2025 totalled 483.83 million baht, reflecting a 22.89 % decrease. The cost of sales amounted to 337.84 million baht, showing a 24.92% decrease, resulting in a gross profit of 145.99 million baht, a 17.75 % decrease. In summary, the main reasons for this decline are as follows:

1. The impact of various global economic events, including international conflicts, continues to affect the world economy, causing volatility in oil prices throughout last year. Although volatility has eased currently, global inflation has begun to decline, it remains higher than pre-war levels. Raw material prices are trending downward, reducing import costs. This also includes pesticides whose use processes are related to the use of chemical fertilizers are also declining. However, the fluctuating and strengthening Thai baht in Q4 was a key factor for the Company to conservatively take into consideration of the seasonal timing of imports for production and distribution, so that they do not lead to overstocking and eventually getting stuck with unworkable high costs and causing higher selling prices, affecting sales in the market.
2. The economy is slowing down due to a decline in tourism, while private consumption continues to expand steadily. However, household and business debt remains high, and agricultural prices have decreased, particularly the prices of both in-season rice and off-season rice, which have declined compared to last year. Agricultural production in 2025 was projected to increase due to favorable weather conditions, increased rainfall, and higher irrigation water resources

resulting from the La Niña influence last year. Furthermore, several storms in 2025, especially Typhoons “Vipa” and “Kajiki,” caused flooding in many areas of the North, Upper Northeast, and Central regions, damaging agricultural produce. The Company’s average raw material costs were affected by Thai baht fluctuations. Although the Company had to produce to meet market demand, increased labor and production overheads costs resulted in higher – than – expected unit costs. Therefore, it is a factor in considering importing goods for production and distribution, taking into account the seasonal use period in order not to produce too much inventory, so that they do not lead to overstocking and eventually getting stuck with unworkable high cost and causing higher selling prices, affecting sales in the market.

3. From the above factors, it has been observed that many farmers are facing higher prices for chemical fertilizers, which is an important factor in cultivation, leading to higher costs than usual. However, due to the lower prices of in-season rice and off – season rice, the purchasing power of farmers has decreased, resulting in a decrease in the market demand for pesticides. Due to flooding and the situation in several provinces bordering Cambodia, as well as India’s decision to lift its restrictions and suspension on agricultural exports such as rice and sugar starting in early 2025, demand from trading partners for Thai agricultural products decreased, resulting in lower sales.
4. In addition, price competition intensity in the market increased compared to last year. Although the overall import cost price tends to decrease, there are some products whose import prices have dropped dramatically and continue to decline. In order to maintain market share, the Company has had to adjust its selling prices in line with current market conditions, resulting in reduced profits. Furthermore, the current market environments, multinational suppliers have entered into the Thai market at dealer level, which represents the Company’s main target group. As a result, price competition to maintain market share is even more intense and negatively impacted the performance of the Company.

Analysing the specifics of the decreasing sales in 2025 compared to the previous year, it was observed that sales decreased for all pesticide product categories; Commodity Products and Specialty Products, such as insecticides, herbicides, fungicides, and acaricides in granular, liquid, powder and other forms. The exception was the increased sales of powdered fungicides, at the end of the rainy season and the beginning of the winter season, which was the peak usage season.

The overall production volume of products decreased in proportion to the sales volume. Raw material prices tended to decrease. Meanwhile, the value of the baht fluctuated throughout the year until the appreciation baht in Q4, resulting in a decrease in the cost of importing raw materials coupled with the impact of wars among many countries. These factors influenced the cost of raw materials, prompting careful consideration of importing for production and distribution, while taking into account the seasonal period of use. The aim is to control the quantity of products produced, ensuring inventories are not excessive. Meanwhile, the production process still requires more labour to adequately support production, necessitating the procurement of outsourcing labour. Consequently, labour costs decreased by 7.42% compared to last year.

Production overheads decreased by 2.39% compared to the previous year due to the decline in production volume. This led to a decrease in production overhead per unit. Additionally, other factors contributed to a 24.92 % decrease in the cost of sales compared to the previous year. As a result, the gross profit in 2025 amounted to 145.99 million baht, or 30.17%, representing a decrease of 31.50 million baht, or a difference of 17.75 %, compared to the previous year. The rate of decrease in the cost of goods sold is higher than the rate of decrease in sales. This indicates the impact of external factors, nevertheless, the Company has efficiently managed costs, achieving a satisfactory level of gross profit in the current situation.

The other income in 2025 amounted to 7.25 million baht, marking an increase of 0.70 million baht or a difference of 10.65% compared to the previous year. This figure encompasses investment income of 4.61 million baht, reflecting a decrease of 1.59 million baht or a difference of 25.64 %. This decrease is attributed to the impact of the volatile stock market situation through out the year. The SET index closed on December 30, 2025 at 1,259.67 points, down from the closing on December 28, 2024, which stood at 1,400.21 points, representing a decrease by 140.54 points. The Stock Exchange Index saw a downward trend during the first 6 month and improve significantly in Q3 and declined again in the last quarter as mentioned above. This was due to the impact of the domestic political situation and the economic conditions under the context of international warfare in several countries, leading to global inflation. Income from investment saw a decrease, mostly from selling investments and unrealized losses due to changes in investment. Whereas, dividend income saw an increase compared to the previous year. In terms of forex gain amounted to 2.52 million baht is an increase of 2.56 million baht, represents a difference of 6,113.62%. This increase can be attributed to the risk prevention policy against fluctuating exchange rates achieved through the use of Forward Contracts and T/R transactions in both dollars and Thai baht currency. The Thai baht began appreciating at the beginning of 2025, reaching its strongest point in Q4. The Bank of Thailand's average closing price on December 30, 2025, was 31.7436 baht to a dollar. Therefore, settling T/R and foreign trade payables in Q4 presented a good opportunity, with the baht was at a most favorable exchange rate, resulting in higher forex gains compared to the previous year. While, the other income decreased due to the sale of expired packaging materials and old, unused equipment. The allocation of new equipment for replacement totaled 0.12 million baht, a decrease of 0.27 million baht or a 69.10% difference.

Financial Cost and Corporate Tax from 2023 – 2025

Unit : Million Baht

	2023			2024			2025		
	Amount	Amount Increase (Decrease)	% Change	Amount	Amount Increase (Decrease)	% Change	Amount	Amount Increase (Decrease)	% Change
Selling Expenses	32.95	7.55	29.71	36.31	3.36	10.19	33.19	(3.12)	(8.59)
Administrative Expenses	38.51	1.48	3.99	39.65	1.14	2.97	39.25	(0.40)	(1.01)
Financial Cost	1.76	0.72	68.98	1.17	(0.59)	(33.73)	0.79	(0.38)	(32.31)
Income Tax	16.95	6.56	63.14	20.97	4.02	23.71	15.13	(5.84)	(27.84)

In 2023,

when examining the distribution costs based on the types of items, which totalled 32.95 million baht. This marked an increase of 7.55 million baht or 29.72 % compared to the previous year. This elevation in costs was a consequence of amplified sales resulting from the aforementioned factors, leading to heightened market demand and intensified competition. The overall import costs tended to decrease, some products experienced a substantial drop in import prices, persistently declining in accordance with market dynamics. To uphold market share, the Company found it necessary to adjust selling prices in line with current market conditions, thereby resulting in a decrease in profits. Consequently, the Company had to invest additional expenses, such as promotional expenses, shipping costs, commissions, etc., contributing to the rise in distribution costs.

Regarding administrative expenses in 2023, which amounted to 38.51 million baht, reflecting an increase of 1.48 million baht or 3.99 % compared to the previous year. This increase was attributed to elevated costs related to employee welfare, trade, property depreciation, and other factors.

Financial costs in 2023 amounted to 1.76 million baht, signifying an increase of 0.72 million baht or 68.98 % compared to the previous year. This increase was attributed to the repayment of T/R debt and all foreign trade creditors, encompassing raw materials purchased during their transportation to the Company. However, due to fluctuations in the value of the baht, the Company had to wait for opportune moments to execute Forward Contracts and T/R to extend payment timelines in both dollars and baht. This strategic approach aimed to mitigate risks associated with baht value fluctuations and minimize the impact of exchange rates. The exchange rate in 2023 fluctuated between 32.75–37 baht per dollar, necessitating the Company to bear increased financial costs. Additionally, there was an escalation in the T/R interest rate from 1.98 % to 5.69 % in 2023. This increase also incorporates the net interest cost of obligations under the employee retirement benefit plan, amounting to 0.40 million baht. It's important to note that this interest amount was not included in the previous year, contributing to a significant rise in financial costs in 2023.

Concerning corporate income tax in 2023, the amount totalled 16.95 million baht, marking an increase of 6.56 million baht or 63.14 % compared to the previous year. This upswing was a consequence of elevated sales income and other sources. The profit before income tax expense of 87.79 million baht increased by 35.34 million baht or 66.65 % due to various factors mentioned earlier. Notably, this includes tax exemption rights on dividends received from investment units meeting specified conditions during the holding period.

In 2024,

Considering the cost of sales by item type totalled 36.31 million baht, an increase of 3.36 million baht or 10.19% compared to the previous year. This elevation in resulting from the aforementioned factors, leading to higher market demand and also intensify market competition. The overall import costs tended to decrease, some products experienced a substantial drop in import prices, persistently declining in accordance with market dynamics. To uphold market share, the Company found it necessary to adjust selling prices in line with current market conditions. Moreover, in the current market situation, multinational suppliers have entered the competition at dealer customer level in Thailand, which is the Company's main target group.

Consequently, the Company had to invest additional expenses according to the current situation, such as promotional expenses, commissions, shipping costs, and asset depreciation etc., contributing to the rise in cost of sales.

Regarding administrative expenses in 2024, which amounted to 39.65 million baht, reflecting an increase of 1.14 million baht or 2.97 % compared to the previous year. This increase was attributed to elevated costs related to employee welfare and miscellaneous expenses, including the current service cost of obligations under the employee retirement benefit plan, maintenance and service expenses, and others.

Financial costs in 2024 amounted to 1.17 million baht, signifying a decrease of 0.59 million baht or 33.73 % compared to the previous year. This decrease was attributed to the faster repayment of T/R debt compared to the previous year, influenced by the volatility of the baht. During the late Q3 and Q4, the baht began to appreciate, reaching a range of 33.90-34.05 baht to a dollar (referencing the exchange rate of Kasikornbank Public Company Limited). The Company had to wait for opportunity to execute faster T /R payments, leading to a reduction in the T/R period. Additionally, the decrease in imported raw materials decreased compared to the previous year leading to lower T/R obligations. The Company maintains its policy of mitigating exchange rate risk by utilizing Forward Contracts and T/R to extend payment terms for both US dollar and Thai baht currencies, minimizing the impact of exchange rate fluctuations. Under such situation, the Company therefore, had to bear the aforementioned financial costs. Furthermore, there were adjustments in the T/R interest rate in 2024, ranging from 5.39 - 5.41% throughout the year, an increase from 2023 when the T/R interest rate ranged from 1.98-5.69 percent. This financial cost also includes the net interest expense on obligations under employ retirement benefit plan, amounting to 0.45 million baht. Consequently, the financial cost in 2024 amounts to 1.17 million baht, or a decrease compared to the previous year.

Concerning corporate income tax in 2024, totalled 20.97 million baht, marking an increase of 4.02 million baht or 23.71% compared to the previous year. This upswing was a consequence of elevated sales income and other sources. The profit before income tax expense of 106.92 million baht increased by 19.13 million baht or 21.79 % due to various factors mentioned earlier. Notably, this includes tax exemption rights on dividends received from investment units meeting specified conditions during the holding period.

In 2025,

Considering the cost of sales by item type totalled 33.19 million baht, a decrease of 3.12 million baht or 6.86% compared to the previous year. The decline in sales was attributable to the aforementioned factors, which led to reduced market demand and intensified price competition among competitors, in line with normal market mechanisms. Although overall import costs tended to decrease, certain products also experienced lower import prices, resulting in reduced selling prices in the market. Although the overall import costs tended to decrease, some products experienced a substantial drop in import prices, persistently declining in accordance with market dynamics. To maintain market share, the Company found it necessary to adjust selling prices in line with current market conditions. Moreover, in the current market situation, multinational suppliers have entered the competition at dealer customer level in Thailand, which is the

Company's main target group. Consequently, the Company had to invest additional expenses according to the current situation, such as promotional expenses, commissions, transportations, asset depreciation, and registration fees etc., contributing to the decline in cost of sales.

Regarding administrative expenses in 2025, which amounted to 39.25 million baht, reflecting a decrease of 0.40 million baht or 1.01 % compared to the previous year. This decrease was attributed to elevated costs related to employee welfare, public utilities: water & electricity, maintenance & service expenses and miscellaneous expenses, including the current service cost of obligations under the employee retirement benefit plan etc.

Financial costs in 2025 amounted to 0.79 million baht or 0.16% of sales, decreased by 0.38 million baht, signifying a decrease of 32.31% compared to the previous year. This decrease was attributed to the faster repayment of T/R payable driven by the volatility of the Thai baht, which appreciated to between 31.13 - 32.32 baht to a dollar in Q4, creating a favorable opportunity to repay T/R, leading to a reduction in the T/R period. All T/R payables were settled in 2025. The Company maintains its policy of mitigating exchange rate risk by utilizing Forward Contracts and T/R to extend payment terms for both US dollar and Thai baht currencies, minimizing the impact of exchange rate fluctuations. Furthermore, the reductions in the T/R interest rate in 2025 had lowered financing costs compared to the previous year. This financial cost also includes the net interest expense on obligations under employ retirement benefit plan, amounting to 0.39 million baht.

Concerning corporate income tax in 2025, totalled 15.13 million baht, marking a decrease of 5.84 million baht or 27.84% compared to the previous year. This was a consequence of the decline sales revenue and other income. The profit before income tax decreased due to various factors mentioned earlier. Notably, this includes tax exemption rights on dividends received from investment units meeting specified conditions during the holding period.

From the reasons stated above, the operating results show a net profit of 64.88 million baht as of December 31, 2025, or 13.41% of sales, a decrease of 21.06 million baht, representing a decrease of 24.51% compared to the previous year.

Operational Profits/ Net Profits/ Return on Equity from 2023 - 2025

Unit : Million Baht

	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
Operational Profits	88.36	14.89	101.88	16.24	76.19	15.75
Net Profits	70.84	11.94	85.95	13.70	64.88	13.41
Consolidated Net Profits	56.48	9.52	77.68	12.38	61.98	12.81
Return on Equity	14.31%		17.28%		13.27%	

In 2023,

sales witnessed a notable increase of 32.71 %, primarily influenced by the global economic landscape shaped by the ongoing war between Russia and Ukraine. This conflict has led to continuous fluctuations and a downward trend in world oil prices. Although inflation has started to decline, it remains higher than normal, contributing to an overall decrease in product prices. Consequently, import costs began to decrease, yet they remained elevated compared to the usual levels. The fluctuating value of the baht continues to play a role, impacting the cost of pesticides, which previously experienced price hikes, and are now showing a tendency to decrease. This prompts a strategic consideration of the quantity of imported raw materials for production and distribution, factoring in seasonal usage patterns. This strategic approach aims to prevent overproduction, which could result in sunk costs and potentially lead to increased selling prices, affecting market sales volume.

In a market environment with increasing demand, marketing faces favourable conditions. Factors such as higher tourism, increased private sector consumption, and a tendency for agricultural product prices, especially in-season rice and off - season rice, to rise contribute to this positive trend. However, the volume of production has decreased due to water shortages and pest outbreaks, such as borers in rice fields. The situation in India, which has undergone severe natural disasters, has led to policies limiting and suspending the export of agricultural products like rice and sugar. This has resulted in heightened demand for Thai agricultural products, subsequently increasing the demand for pesticides. To ensure efficiency in production, both in terms of quantity and quality, and to meet market demands, competition among market competitors has intensified across various aspects. Some products may need to adjust their selling prices to align with current market conditions to maintain the Company's market share. This is particularly notable with multinational companies that act as suppliers and participate in the competitive landscape at the customer and distributor levels in Thailand, aligning with the Company's target customer base.

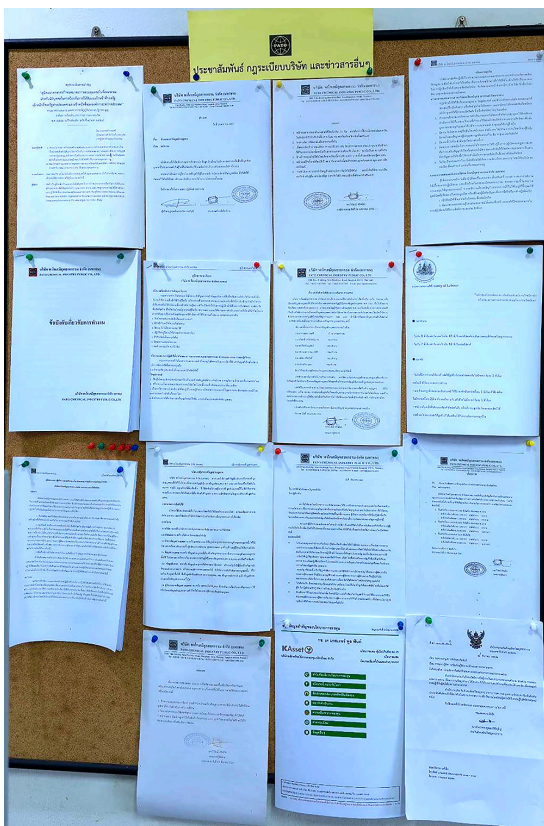
Regarding production costs, these have been impacted by increased energy prices and the fluctuating value of the baht. Consequently, the costs of both imported and domestic raw materials are experiencing a decrease, although they remain higher than the normal baseline. Additionally, there is a heightened demand for labour to adequately support production, necessitating the procurement of labour from external companies. Production overheads, which fluctuate with the increase in production volume, lead to an increase in both labour costs and production overheads per unit. This surge in production costs results in a greater-than-proportional increase in the cost of sales. Consequently, the rate of increase in sales causes a decrease in gross profit for the year 2023.

The foreign exchange profits in 2023 amounted to 3.19 million baht, marking an increase of 9.78 million baht or 148.42 %. This increase is attributed to fluctuations in exchange rates, with the baht depreciating most significantly in the third quarter and beginning to strengthen in the fourth quarter. This was a result of the Company's strategy to hedge against exchange rate risks by engaging in T/R and Forward Contracts in both dollars and baht. This approach aimed to delay debt repayment until opportune moments, thereby mitigating the impact of exchange rate fluctuations. Consequently, profits from exchange rates experienced a notable increase. In the same year, other income amounted to 0.10 million baht, reflecting a decrease of

0.63 million baht or 85.76 %. This decrease can be attributed to the absence of transactions such as the sale of old, expired packaging materials, the disposal of equipment and old vehicles, and the lack of financial support from the Social Security Office, which was received in 2022 under measures to assist the Company during the Covid-19 pandemic.

The costs of distribution and administrative expenses in 2023 amounted to 32.95 million and 38.51 million baht, respectively. This reflects an increase of 7.55 million and 1.48 million baht or 29.71 and 3.99 %, respectively, compared to the previous year. The increase is attributed to heightened sales, prompting the Company to continue implementing management policies that focus on investment in various expenses. The emphasis is on managing and controlling expenses to be economical, worthwhile, and most effective, aiming to generate maximum income under the current situation. Market competition remains intense, necessitating the implementation of policies to stimulate demand through various marketing strategies, particularly emphasizing promotional expenses, shipping costs, and commissions. Administrative expenses increased, notably in terms of employee welfare costs and property depreciation. Consequently, the Company achieved a profit from operations in 2023 amounting to 88.36 million baht, representing 14.89 % of sales. This marks an increase of 35.34 million baht or 66.65 % compared to the previous year.

Under the current circumstances and considering the main factors mentioned above, the Company has attained satisfactory operating results. This leads to a net profit in 2023 of 70.84 million baht, accounting for 11.94 % of sales and a rate of return to shareholders equal to 14.31 %.



At the same time, the Company has invested in equity instruments as of December 31, 2023. There has been a change in the fair value of this investment in equity instruments, resulting in a loss from changes in fair value amounting to 17.72 million baht. Income tax effects, in the amount of 3.54 million baht, were incurred due to fluctuations in the stock market throughout the year. Additional losses were experienced from actuarial estimates concerning employee retirement benefit obligations, totalling 0.24 million baht, with an impact from income tax amounting to 0.05 million baht. Consequently, the total comprehensive loss for 2023 amounted to 56.48 million baht, accounting for 9.52 %.

In 2024,

sales witnessed an increase of 5.77%, primarily influenced by the global economic landscape shaped by the ongoing wars. This conflict has led to continuous

fluctuations in world oil prices. Although inflation has started to decline, it remains higher than normal. Raw materials imported costs began to decrease, causing lower import cost but remained elevated compared

to the usual pre-war levels. The fluctuating value of the baht continues to play a role, impacting the cost of pesticides, which previously experienced price hikes, and are now showing a tendency to decrease. This prompts a strategic consideration of the quantity of imported raw materials for production and distribution, factoring in seasonal usage patterns. This strategic approach aims to prevent overproduction, which could result in unworkable costs and potentially lead to increased selling prices, affecting market sales volume.

In a market environment with increasing demand, marketing faces favourable and unfavourable conditions. Factors such as higher tourism, increased private sector consumption, and a tendency for agricultural product prices, especially in - season rice and off-season rice, to rise compare to the same period of last year. At the same time, the shortage of some granular insecticides led to higher demand, resulting in lower production volumes. This was due to the El Niño and La Niña phenomena occurring in the same year, causing water shortages and pest outbreaks such as brown planthoppers, stem borers, leaf rollers, blast, leaf blight, and dirty panicle disease. Additionally, flash floods impacted many regions in the North, Northeast, and South. The situation in India, which had undergone severe natural disasters, led to policies limiting and controlling the export of agricultural products like rice and sugar. This resulted in heightened demand for Thai agricultural products, subsequently increasing the demand for pesticides. To ensure efficiency in production, both in terms of quantity and quality, and to meet market demands, competition among market competitors has intensified across various aspects. Some products may need to adjust their selling prices to align with current market conditions to maintain the Company's market share. This is particularly notable with multinational suppliers have participated in the competitive distributor levels in Thailand, which are company's target customer group.

Regarding production costs, these had been impacted by increased energy prices and the fluctuating value of the baht. Consequently, the costs of both imported and domestic raw materials were experiencing a decrease, but they remain higher than the normal baseline. Additionally, there was a heightened demand for labour to adequately support production, necessitating the procurement of subcontract labours, leading to higher production cost. The increase in labour demand and the government's adjustment of the minimum wage have caused the Company to set its daily wage higher than the government prescribed minimum wage. The production overhead cost fluctuates with the increase in production volume, leading to an increase in both labour costs and production overheads per unit. This surge in production costs resulted in an increase in the cost of sales. However, the rate of increase in cost of sales was still lower than the rate of increase in sales, resulting in an increase in gross profit margin.

The forex loss in 2024 amounted to 0.04 million baht, marking a decrease of 3.23 million baht or a difference of 101.31 %. This decrease was attributed to fluctuations in exchange rates, with the baht depreciating in the first 6 months and beginning to strengthen in the end of Q3 and Q4. This was a result of the Company's strategy to hedge against exchange rate risks by engaging in T/R and Forward Contracts in both dollars and baht. This approach aimed to delay debt repayment until opportune moments, thereby mitigating the impact of exchange rate fluctuations. Consequently, losses from exchange rates experienced a decrease.

The costs of sales and administrative expenses in 2024 amounted to 36.31 million and 39.65 million baht, respectively. This reflects an increase of 3.36 million and 1.14 million baht or 10.19 and 2.97 %, respectively, compared to the previous year. The increase was attributed to heightened sales, prompting the Company to continue implementing management policies that focus on investment in various expenses. The emphasis is on managing and controlling expenses to be economical, worthwhile, and most effective, aiming to generate maximum income under the current situation. Market competition remains intense, necessitating the implementation of policies to stimulate demand through various marketing strategies, particularly emphasizing promotional expenses, shipping costs, and commissions. Administrative expenses increased, notably in terms of employee welfare costs, miscellaneous expenses, which were the current service cost of the defined benefit obligation for the employee retirement benefit plan, maintenance and service expenses. As a result, the Company achieved a profit from operations in 2024 of 101.88 million baht, representing 16.24 % of sales, an increase of 13.52 million baht or 15.31 % compared to the previous year.

Under the current circumstances and considering the main factors mentioned above, the Company has attained satisfactory operating results. This leads to a net profit in 2024 of 85.95 million baht, accounting for 13.94 % of sales and a rate of return to shareholders equal to 17.28 %.

At the same time, the Company has invested in equity instruments as of December 31, 2024. There has been a change in the fair value of this investment in equity instruments, resulting in a loss from changes in fair value amounting to 9.57 million baht. Income tax effects, in the amount of 1.91 million baht, were incurred due to fluctuations in the stock market of downward index throughout the 6-month-period, upward index in Q3, and again downward index in Q4. Additional losses were experienced from actuarial estimates concerning employee retirement benefit obligations, totalling 0.77 million baht, with an impact from income tax amounting to 0.15 million baht. Consequently, the total comprehensive gain (loss) for 2024 amounted to 77.68 million baht, accounting for 12.38%.

In 2025

sales witnessed a decrease of 22.89%, primarily influenced by the global economic landscape shaped by the ongoing wars. This conflict has led to continuous fluctuations in world oil prices. Although inflation has started to decline. Raw materials imported costs began to decrease, causing lower import cost. The fluctuating value of the baht with appreciation in Q4. This prompts a strategic consideration of the quantity of imported raw materials for production and distribution, factoring in seasonal usage patterns. This strategic approach aims to prevent overproduction, which could result in unworkable costs and potentially lead to increased selling prices, affecting market sales volume.

In a market environment with decreasing demand, marketing faces favorable and unfavourable conditions. Factors such as slowdown tourism, increased private sector consumption, higher household and business debt burdens, a decrease in the price of agricultural products, particularly the price of both in-season and off-season rice, which has declined compared to the same period last year. Due to increased agricultural production in 2025, driven by favorable weather conditions, rainfall, and irrigation water availability influenced by last year's La Niña, farmers were facing higher - than - normal prices for chemical fertilizers, a crucial component of cultivation. This had increased production costs while crop prices declined and reducing farmers' purchasing power. Orders declined due to the situation in several provinces bordering

Cambodia. In addition, India's lifting of export restrictions on agricultural products such as rice and sugar had further intensified market competition. Consequently, some products may need to adjust their selling prices to align with current market conditions to maintain the Company's market share. This is particularly notable with multinational suppliers have participated in the competitive dealer levels in Thailand, which are company's main target customer group.

Regarding production costs, these had been impacted by global economy, consequently, the costs of both imported and domestic raw materials were experiencing a decrease from the volatility of appreciation baht. Additionally, there was a heightened demand for labor to adequately support production, necessitating the procurement of subcontract labors. The minimum daily wage was set higher than the government-mandated minimum wage, and production overheads, which fluctuate with the decrease in production volume, resulted in lower unit production overheads. This led to lower production costs and consequently lower costs of sales. However, the rate of decrease in costs of sales exceeded the rate of decrease in sales, resulting in an increase in the gross profit margin.

The forex gain increased in 2025. This increase was attributed to fluctuations in exchange rates throughout the year and it began to appreciate in Q4. This was achieved through a policy to hedge against exchange rate risks using forward contracts and T/R in both US dollars and Thai baht to seize the best opportunity, thereby mitigating the impact of exchange rate fluctuations. The Company fully settled all T/R and foreign trade payables in Q4, resulting in increased exchange rate gains.

The costs of sales and administrative expenses in 2025 decreased. The decrease was attributed to aforementioned factors leading to lower market demand. The Company to continue implementing management policies that focus on investment in various expenses. The emphasis is on managing and controlling expenses to be economical, worthwhile, and most effective, aiming to generate maximum income under the current situation. Market competition remains intense, necessitating the implementation of policies to stimulate demand through various marketing strategies, particularly emphasizing promotional expenses, transportation costs, and commissions. Administrative expenses, notably in terms of employee welfare costs, public utilities; water and electricity, maintenance and service expenses, and miscellaneous expenses including benefit obligation for the employee retirement benefit plan. As a result, the Company achieved a profit from operations in 2025 of 76.19 million baht, representing 15.75% of sales, a decrease of 25.69 million baht or 25.21% compared to the previous year.

Under the main factors mentioned above, the Company has attained satisfactory operating results under current situation. This leads to a net profit in 2025 of 64.88 million baht, accounting for 13.41% of sales and a rate of return to shareholders equal to 13.27 %.

At the same time, the Company has invested in equity instruments as of December 31, 2025. There has been a change in the fair value of this investment in equity instruments, resulting in a loss from changes in fair value amounting to 1.53 million baht. Income tax effects, in the amount of 0.31 million baht, were incurred due to fluctuations in the stock market of downward index throughout the 6-month-period, upward index in Q3, and again downward index in Q4. Additional losses were experienced from actuarial estimates concerning employee retirement benefit obligations, totaling 2.09 million baht, with an impact from income tax amounting to 0.42 million baht. Consequently, the total comprehensive gain (loss) for 2025 amounted to 61.98 million baht, accounting for 12.81%.

Total Assets/ Total Liabilities/ Shareholdres' Equities 2023 - 2025

Unit : Million Baht

	2023			2024			2025		
	Amount	Amount Increase (Decrease)	% Change	Amount	Amount Increase (Decrease)	% Change	Amount	Amount Increase (Decrease)	% Change
Total Assets	568.30	(11.49)	(1.98)	633.60	65.30	11.49	542.09	(91.51)	(14.44)
Total Liabilities	74.19	(9.60)	(11.46)	133.00	58.81	79.27	64.93	(68.07)	(51.18)
Shareholders' Equities	494.11	(1.89)	(0.38)	500.60	6.49	1.31	477.16	(23.44)	(4.68)

Cash Flows 2023 - 2025

Unit : Million Baht

	2023	2024	2025
Cash Flows from Operation	91.06	140.51	33.38
Cash flows from Investment	(35.53)	(69.02)	51.67
Cash flows from financing activities	(73.22)	(41.52)	(116.51)

Finacial Ratio 2023 - 2025

	2023	2024	2025
Liquidity Ratio			
Current Ratio (Times)	9.48	4.83	11.67
Quick Ratio (Times)	5.42	3.33	6.39
Cash Flow Ratio (Times)	1.76	1.83	0.47
Collection Period (Days)	49	51	57
Inventory Turnover (Days)	161	140	181
A/C Payable Turnover (Days)	35	51	65
Cash Cycle (Days)	175	140	173
Efficiency Ratio			
Return on Total Assets (%)	12.34	14.32	11.04
Return on Fixed Assets (%)	158.06	175.97	135.86
Return on Current Assets (Times)	1.04	1.05	0.91
Financial Ratio			
Debt to Equity Ratio (Times)	0.15	0.27	0.14
Interest Coverage (Times)	62.37	139.49	62.45

In 2023,

with the increased sales volumes, the Company's operating results see net profit of THB 70.84 million, causing its balance sheet to be significantly different from that of 2022. The global economy coupled with various domestic factors affected the production and distribution process as mentioned earlier and caused the Company's total assets to decrease to a total of THB 568.30 million, a decrease of THB 11.49 million is an equivalent of 1.98% y-o-y. Major sections that increased (decreased) are cash and cash equivalents, other current assets, account receivable, other receivable, and inventory are THB (17.70), 17.24, 5.48, and (11.75) million respectively or a different of (41.96), 13.55, 6.95, and (5.85) respectively. Other non-current assets increased (decreased) are other non-current financial assets decreased by THB (18.09) million or a decrease of (29.56), property, plant and equipment increased by THB 8.35 million or 18.62%, intangible assets increased by THB 1.44 million or 7.64% and deferred tax assets increased by THB 3.69 million or an equivalent of 67.11%.

The Company's total liabilities of THB 74.19 million, decreased by THB 9.60 million, or an equivalent of 11.46% y-o-y. This amount includes decreases in short term loan from financial institutions (T/R creditors), trade account payable and other payables by THB 13.50 and 3.48 million or an equivalent of 100.00%, 9.20% respectively. Income tax payable increased by THB 7.03 million or 157.17%. Employee retirement benefit obligation increased by THB 0.35 million or an equivalent of 1.28%.

Shareholder's equity of THB 494.11 million, a decrease of THB 1.89 million or an equivalent of 0.38% y-o-y. This amount came from an increase in unappropriated retained earnings for THB 12.28 million, or an equivalent of 6.90% from the increase in net profit in 2023. Other components of shareholder's equity which includes unrealized gain(loss) on revaluation of fair value of available-for-sale of THB (14.75) million, a decrease of THB 14.17 million or an equivalent of 2,473.10%.

The changes in the balance sheet came from the increase in sales volume from various factors that gave positive impact to higher market demand and higher prices of agricultural products, higher financial liquidity of farmers, higher purchasing power and higher demand of agricultural chemicals. The market competition still saw intensity. The imported and local purchasing of raw materials considering condition to purchase raw materials at a quantity that was suitable for the current situation and sufficient to support the market demand.

Therefore, the cash and cash equivalents, and other current financial assets (Investment Units - Open Ended Funds) which are assets of high liquidity saw a decrease from last year. The preparation to fulfill increased market demand, resulted in decreased inventory. Due to the increase in sales, the outstanding account receivable increased even though the Company has a policy to increase cash discounts in order to provide an incentive for customers to receive benefits in paying according to credit term. This will stimulate product demand, fasten collection period, and also sales period. As the baht fluctuated all through the year with the most depreciating baht in Q3 of the year, the Company needs to reduce the impact of exchange rates by covering the exposure with forward contracts at appropriate rate for T/R payment. Due to the increase in sales, the import of raw materials saw an increase of 27.83 million baht or a difference of 10.11% y-o-y.



In addition, local purchasing of raw materials and packaging materials also increased. Although short - term loans from financial institutions increased in 2023, while the exchange rate in Q4 saw a strengthened baht, the Company therefore, decided to pay - off all short - term loans from financial institutions. As a result, at the end of the period, there were only the balance of trade and other current payables, which refers to domestic trade creditors. As a result, average payment period was faster and cash cycle decreased.

From the Company's operating results in 2023, the cash flows increased by 341.61% due to the increase in net profit and the decrease in inventory, accounts payable and other current accounts payable. As for financial ratio, the liquidity ratio, the quick ratio and the cash flow liquidity ratio increased to 9.48, 5.42, and 1.76 times y-o-y respectively. The average collection period, the average sale period, the accounts payable period, and the cash cycle decreased to 49, 161, 35 and 175days y-o-y respectively.

The Company's cash flows from the investment increased by 146.71%, when compared to the previous year. The Company applied a policy to manage financial liquidity by increasing investment in Investment unit - Opened fund for THB 19.39 million and received dividend for THB 3.33 million in 2023. The investment in equipment, vehicles by trade off obsolete ones totalled THB 14.91 million. The expenses related to the registration for the new license was THB 4.93 million.

Cash flows from financing activities decreased by 40.76% when compared with the previous year since the order of raw materials from other countries increased and T/R period was lengthened to wait for appropriate time in order to prevent risk from forex loss. The Company covered exposure with forward contract and applied for appropriated T/R paid off before 2023 year end. Interest rate for T/R significantly increased from 1.98 - 5.50% in 2022 to 1.98 - 5.69%, coupled with the interest costs from estimating liabilities for employee retirement benefits, therefore, financial costs increased. The Company also paid for 2022 dividends by THB 58.37 million. Therefore, cash and cash equivalents by the end of the year then equal to THB 24.48 million. The decrease of THB 17.70 million was equivalent to 41.96% y-o-y.

The Company's capital structure comprises debt-to-equity ratio, which was 0.15 times in 2023. The purchasing of raw materials both domestically and internationally, including packaging materials increased to be suitable for the current situation and to meet higher market demand. Various factors caused the sales to increase and the accrued corporate income tax from the operating results also increased accordingly. The higher operating results in 2023, the Company was still being able to manage and control effective financial position, as a result, debt-to-equity ratio decreased and this ratio level is considered very well with stability.

Interest coverage ratio increased to 62.37 times in 2023. From the aforementioned operation result, the Company saw operation cash flow increased. The policy of the imported raw material purchase and the extended pay-off T/R, the significant increase in T/R interest rate, and the interest costs from estimating liabilities for employee retirement benefits led to the increase in financial cost in 2023. However, due to the improving operation results, the interest coverage therefore increased when compared to the previous year.

The 2023 Company's operating results saw an increase in net profit to THB 70.84 million compared to the previous year. Therefore, its return on assets, return on fixed assets, and the asset turnover increased to

12.34%, 158.06%, and 104.12 times respectively. All in all, this still indicates the ability in profit generation from the efficient use of assets in accordance with current situation.

From the capital structure shown, the Company still has the policy to carefully manage its finance at current situation in order to achieve maximum returns, while keeping risks that may impact its operation to a minimum. The Company still places emphasis on investment in wise and efficient spending to achieve highest revenue possible of set target. To this end, the Company set the policy to properly order raw materials in terms of quantity, quality and price, to be in accordance with the market situation at that particular moment. In terms of exchange rate risk, which is outside factor that may impact the Company's operating results, the Company has set the policy to prevent risk from fluctuation. To do so, the Company has managed foreign debt payment term in order to achieve the lowest cost capital possible by doing forward contract to reduce its risks.

The Company has continuously recognized the importance of financial stability. Therefore, the Company has a policy to carefully manage its finance by using its current liabilities to invest in current assets in order to achieve financial liquidity and maximum returns while making the most efficient use of financial capital possible. This goal is to generate the highest returns to shareholders while keeping important financial ratios in good levels, which can be seen in the operating results of 2023, as mentioned earlier.

In 2024,

with the increased sales volumes, the Company's operating results see net profit of THB 85.95 million, causing its balance sheet to be significantly different from that of 2023. The global economy coupled with various domestic factors controllable and uncontrollable affected the production and distribution process as mentioned earlier and caused the Company's total assets to increase to a total of THB 633.60 million, an increase of THB 65.30 million is an equivalent of 11.49% y-o-y. Major sections that increased (decreased) are cash and cash equivalents, other current assets, account receivable, other receivable, and inventory are THB 29.97, 8.62, 63.65, and (29.68) million respectively or a different of 122.44%, 10.23%, 44.06%, and (15.68%) respectively. Other non-current assets increased (decreased) are other non-current financial assets, and deferred tax assets increased (decreased) by THB (8.97) and 1.53 million or an increase (decrease) of (20.81%) and 16.63% respectively.

The Company's total liabilities of THB 133.00 million, increased by THB 58.81 million, or an equivalent of 79.27% y-o-y. This amount includes increases (decreases) in short term loan from financial institutions (T/R creditors), trade account payable and other payables by THB 30.67 and 29.05 million or an equivalent of 100.00%, 84.66% respectively. Non-current liabilities increased (decreased) from estimated liabilities from employee retirement benefit obligation amounted to THB (1.09) million or an equivalent of (3.99%)

Shareholder's equity of THB 500.60 million, an increase of THB 6.49 million or an equivalent of 1.31% y-o-y. This amount came from an increase in unappropriated retained earnings for THB 14.45 million, or an equivalent of 7.44% from the increase in net profit in 2024. Other components of shareholder's equity which includes unrealized gain(loss) on revaluation of fair value of available-for-sale of THB (22.40) million, a decrease of THB 7.65 million or an equivalent of 51.92%.

The changes in the balance sheet came from the increase in sales volume from various factors that gave positive impact to higher market demand and higher prices of agricultural products, higher financial liquidity of farmers, higher purchasing power and higher demand of agricultural chemicals. The market competition still saw intensity. The imported and local purchasing of raw materials considering condition to purchase raw materials at a quantity that was suitable for the current situation and sufficient to support the market demand.

Therefore, the cash and cash equivalents, and other current financial assets (Investment Units - Open Ended Funds) which are assets of high liquidity saw an increase from last year. Due to the increase in sales, the outstanding account receivable increased even though the Company has a policy to increase cash discounts in order to provide an incentive for customers to receive benefits in paying according to credit term, yet, the collection period from debtors still increased from 49 days in 2023 to 51 days in 2024. The inventory turnover was also faster. Meanwhile, the baht is still volatile throughout the year. The baht weakened in the first 6 months and began the most appreciating baht in Q3. By the end of Q4, it began to slightly depreciate. The Company needs reduce the impact of exchange rates by covering the exposure with forward contracts at appropriate rate for T/R in both dollar and baht. The Company decided to pay - off T/R when it is seen that the exchange rate is in an appropriate range. At the same time, the total amount of imported raw materials, including raw materials and packaging materials purchased domestically, decreased by 17.57 million baht or a decrease of 4.60 %, resulted in lower inventories. Short-term loans from financial institutions increased as well. As a result, account payable turnover was slow down from 35 days in 2023 to 51 days in 2024, causing the cash cycle to decrease.

There were also the increase in short - term loan from financial institutions, accounts payable and other payable which led to the following financial ratio result. The liquidity ratio, the quick ratio and the cash flow liquidity ratio increased (decreased) to 4.83, 3.33, and 1.83 times y-o-y respectively. The average collection period, the average inventory period, the accounts payable period, and the cash cycle increase (decreased) to 51, 140, 51, 140 days y-o-y respectively.

The Company's cash flows from the investment amounted to THB 69.02 million or an increase of THB 33.49 million or 94.25% when compared to the previous year. The Company applied a policy to manage financial liquidity by increasing investment in Investment unit - Opened fund for THB 63.38 million and equity securities amounted to THB 0.60 million and received dividend for THB 5.91 million in 2024. The investment in equipment, vehicles by trading off obsolete ones totalled THB 7.79 million. The expenses related to the registration for the new license was THB 3.16 million.

Cash flows from financing activities decreased amounted to THB 41.52 million, decreased by THB 31.70 million or a decrease of 41.52% when compared with the previous year. The order of imported raw materials increased and T/R payment period was lengthened to wait for appropriate time in order to mitigate risk from forex loss and left with short - term loan from financial institutions amounted THB30.36 million by the end of 2024. The Company also paid for 2023 dividends by THB 71.16 million. Therefore, cash and cash equivalents by the end of the year then equal to THB 54.45 million, an increase of THB 29.97 million was equivalent to 122.44% y-o-y.

The Company's capital structure comprises debt - to - equity ratio, which was 0.27 times in 2024, due to the increase in short-term loan from financial institutions, trade creditors, and other creditors incurred from the increase purchasing of raw materials both domestically and internationally. Various factors caused the sales to increase and the accrued corporate income tax from the operating results also increased accordingly. The higher operating results in 2024, the Company was still being able to manage and control effective financial position, as a result, debt - to - equity ratio decreased and this ratio level is considered very well with stability.

Interest coverage ratio increased to 139.49 times in 2024. From the aforementioned operation result, the Company saw operation cash flow increased. The policy of the imported raw material purchase and the extended pay-off T/R, the significant increase in T/R interest rate, and the interest costs from estimating liabilities for employee retirement benefits led to the increase in financial cost in 2024. However, due to the improving operation results, the interest coverage therefore increased when compared to the previous year.

The 2024 Company's operating results saw an increase in net profit to THB 85.95 million compared to the previous year. Therefore, its return on assets, return on fixed assets, and the asset turnover increased to 14.23%, 175.97%, and 105.50 times respectively. All in all, this still indicates the ability in profit generation from the efficient use of assets in accordance with current situation when compared to the previous year.

From the capital structure shown, the Company still has the policy to carefully manage its finance at current situation in order to achieve maximum returns, while keeping risks that may impact its operation to a minimum. The Company still places emphasis on investment in wise and efficient spending to achieve highest revenue possible of set target. To this end, the Company set the policy to properly order raw materials in terms of quantity, quality and price, to be in accordance with the market situation at that particular moment. In terms of exchange rate risk, which is outside factor that may impact the Company's operating results, the Company has set the policy to prevent risk from fluctuation. To do so, the Company has managed foreign debt payment term in order to achieve the lowest cost capital possible by doing forward contract and T/R both in dollar and baht to reduce its risks.

The Company has continuously recognized the importance of financial stability. Therefore, the Company has a policy to carefully manage its finance by using its current liabilities to invest in current assets in order to achieve financial liquidity and maximum returns while making the most efficient use of financial capital possible. This goal is to generate the highest returns to shareholders while keeping important financial ratios in good levels, which can be seen in the operating results of 2024, as mentioned earlier.

In 2025,

with the decreased sales volumes, the Company's operating results see a net profit of THB 64.88 million, causing its balance sheet to be significantly different from that of 2024. The global economy coupled with various domestic factors controllable and uncontrollable affected the production and distribution process as mentioned earlier and caused the Company's total assets to decrease to a total of THB 542.09 million, a decrease of THB 91.51 million is an equivalent of 14.44% y-o-y. Major sections that increased (decreased) are cash and cash equivalents, account receivable, other receivable, and inventory are THB

(31.46), (32.15), (58.60), and 33.07 million respectively or a different of (57.77%), (34.62%), (28.16%), and 20.72% respectively. Other non-current assets increased (decreased) are other non-current financial assets, Intangible assets, Plant & Equipment, and deferred tax assets increased (decreased) by THB (1.06), (3.18), 1.12, and 0.88 million or an increase (decrease) of (3.12%), (15.80), 1.91% and 8.19% respectively.

The Company's total liabilities of THB 64.93 million, decreased by THB 68.07 million, or an equivalent of 51.18% y-o-y. This amount includes increases (decreases) in short term loan from financial institutions (T/R creditors), trade account payable and other payables, outstanding taxes, other current liabilities by THB (30.67), (34.63), (5.32), and 0.54 million or an equivalent of (100.00%), (54.66%), (45.77%), and 56.86% respectively. Non-current liabilities increased from estimated liabilities from employee retirement benefit obligation amounted to THB 2.01 million or an equivalent of 7.63%.

Shareholder's equity of THB 477.16 million, a decrease of THB 23.44 million or an equivalent of 4.68% y-o-y. This amount came from a decrease in unappropriated retained earnings for THB 22.21 million, or an equivalent of 10.87% from the decrease in net profit in 2025. Other components of shareholder's equity which includes unrealized gain(loss) on revaluation of fair value of available - for - sale of THB (23.63) million, an increase of THB 1.23 million or an equivalent of 5.48%.

The changes in the balance sheet came from the decrease in sales volume from various factors that gave negative impact to lower market demand and lower export leading to lower prices of agricultural products, lower financial liquidity of farmers, lower purchasing power and lower demand of agricultural chemicals. The market continued to experience intense competition. The imported and local purchasing of raw materials considering condition to purchase raw materials at a quantity that was suitable for the current situation and sufficient to support the market demand.

Therefore, the cash and cash equivalents, other current financial assets (Investment Units -Open Ended Funds) which are assets of high liquidity, account receivable, and other current receivable saw a decrease from last year. Inventory increased due to decreased sales, while raw material purchased to quantities appropriate to the current situation in order to maintain sufficient production to meet market demand. Although the Company has a policy of offering cash discounts as an incentive for purchasing goods and providing favorable payment terms, the average receivables collection period increased from 51 days in 2024 to 57 days in 2025, inventory turnover period lengthened from 140 days in 2024 to 181 days in 2025. Meanwhile, the Thai baht fluctuated throughout the year and began to appreciate in Q4. Therefore, the Company took the opportunity to mitigate the impact of exchange rate fluctuations by accelerating settlement of T/R payable. As a result, cash and cash equivalents, and other current financial assets decreased due to the sale of investments and losses from changes in fair value caused by stock market volatility as mentioned above, ultimately leading to an increase in deferred tax.

Total liabilities decreased due to the repayment of all short-term loans from financial institutions, as well as trade and other payables, including international trade payables with 150 - day credit terms. This was attributable to the strengthening of the Thai baht, which fluctuated within the range of 31.13 - 33.90 baht to a dollar, which was the most favorable period for settlement. The Company continues its policy of using

forward contracts and T/R to mitigate the impact of exchange rate fluctuations. As a result, the payment period was extended from 51 days in 2024 to 65 days in 2025, resulting in an increase in the cash cycle to 173 days.

From the 2025 performance, cash flow from operating activities of 33.38 million baht or a decrease of THB 107.13 million or 76.24 % difference driven from a decrease in net profit and an increase in inventory, as well as a decrease in trade payables and other current payables, resulting in the liquidity ratio, current ratio, and cash flow ratio increase (decrease) by 11.67, 6.39 and (0.47) times, respectively.

Cash flow from investing activities amounted to THB 51.67 million, an increase of THB 120.69 million or 174.86%, compared to the previous year. Under the Company's financial liquidity management policy, funds were invested in open-ended fund units, with THB 56.29 million redeemed in 2025. Additionally, THB 0.47 million was invested in equity instruments, generating dividend income of THB 6.93 million in 2025. Furthermore, THB 9.29 million was spent on the purchase of equipment and vehicles, along with the sale of old, obsolete equipment, including mixing machinery and a complete fire suppression system for the factory. Finally, THB 1.78 million was invested in product registration.

Cash flows from financing activities decreased to THB 116.51 million, an increase of THB 74.99 million, or 64.36% compared to the previous year. The volume of imported raw materials increased, and T/R payment period was extended to wait for appropriate time in order to mitigate risk from forex loss, resulting in no short-term loan from financial institutions outstanding by the end of 2025. The Company also paid for 2024 dividends totaling THB 85.44 million. Cash and cash equivalents in 2025 amounted to THB 31.46 million, a decrease of THB 61.43 million, or 204.96 % y-o-y. Consequently, cash and cash equivalents by the end of the year amounted to THB 22.98 million, a decrease of THB 34.46 million, or 57.77 % y-o-y.

The Company's capital structure comprises debt-to-equity ratio, which was 0.14 times in 2025, due to the settlement of all outstanding short-term loan from financial institutions. Due to factors affecting sales, the Company's operating results showed a decline in net profit before income tax. As a result, the outstanding corporate income tax payable also decreased, resulting in lower net profit in 2025. Nevertheless, the Company has effectively managed and maintained its financial position, with key financial ratios remaining very low levels and within a favorable range, reflecting strong financial stability.

The interest coverage ratio decreased to 62.45 times in 2025 due to the aforementioned operation result. The Company saw operation cash flow decreased. This was mainly attributed to lower cash flow from operating activities, resulting from earlier settlement of T/R and foreign trade payables, which also led to lower financing costs. The interest costs decreased also form to a lower estimate of employee retirement benefit obligations. Combined with weaker operating results in 2025, these factors resulted in a lower interest coverage ratio compared to the previous year.

The 2025 Company's operating results saw a decrease in net profit to THB 64.88 million compared to the previous year. Therefore, its return on assets, return on fixed assets, and the asset turnover decreased to 11.04%, 135.86%, and 0.91 times respectively. All in all, this still indicates the ability in profit generation from the efficient use of assets in accordance with current situation when compared to the previous year.

From the capital structure shown, the Company continues to maintain a policy of carefully managing its finances under current economic conditions in order to achieve maximum returns, while keeping risks that may impact its operations at a minimum. The Company emphasizes prudent and efficient investment and spending in order to achieve highest possible revenue in line with the set targets. To this end, the Company established a policy to procure raw materials in appropriate quantity, quality and prices, to be in accordance with prevailing market condition. In terms of exchange rate risk, which is outside factor that may affect the Company's operating results, the Company has implemented a policy to mitigate risks arising from forex fluctuations. To achieve this, the Company carefully manages the payment term of foreign trade payables in order to achieve the lowest possible cost of capital, including to use of forward contract and T/R both in dollar and baht to reduce its risks.

The Company has continuously recognized the importance of financial stability. Therefore, the Company has a policy to carefully manage its finance by using its current liabilities to invest in current assets in order to achieve financial liquidity and maximum returns while making the most efficient use of financial capital possible. This goal is to generate the highest returns to shareholders while keeping important financial ratios in good levels, which can be seen in the operating results of 2025, as mentioned earlier.

In 2026,

there will be an expansion in the range of 1.8-2.2 %, supported by the following factors:

1. Government spending increases in line with the increase in budget for the fiscal year 2026.
2. Private sector investments expand in line with the recovery of industrial production and export sectors, as reflected in the volume of imports of capital goods, raw materials, and intermediate goods, the increase in applications for approvals of BOI certificates, and the expansion of industrial estates.
3. Private consumption expanded due to a recovery in passenger car and motorcycle sales, coupled with low inflationary pressure from energy and fresh food prices, which are expected to remain below the monetary policy target.
4. The tourism sector is recovering in line with the increasing number of international tourists, driven by a continuous increase in the number of flights into the country and the opening of new flight routes connecting key destinations to Thailand. This recovery is also supported by to government tourism promotion measures, such as visa exemptions and the organization of "Thailand's Grand Comeback 2026" project.
5. Agricultural production increased due to favorable weather conditions and sufficient water for cultivation. However, the expansion of the Thai economy is still constrained by risk factors such as protectionist trade measures from the United States, the slowdown of the global economy, high levels of private sector debt, and global economic and financial volatility, including international and regional conflicts.

The agricultural economic outlook for 2026 is projected to expand by 2.0-3.0 percent, supported by the following factors:

1. Increased water volume in reservoirs and natural water sources, including higher water reserves,

due to continuous rainfall in late 2025. This is beneficial for cultivation and crop growth during the dry season and for subsequent planting seasons.

2. Domestic consumption, tourism, and exports are expected to increase.
3. Global demand for agricultural products is expected to increase to support food security due to disasters in many countries. Supply chain problems from the war situation have caused many countries to worry that crop yields will not be sufficient to meet domestic consumption demand.
4. Government policies, such as developing production potential and managing agricultural products to meet market demand, promoting the use of technology and innovation in agricultural production and processing, elevating the standards and value - added of agricultural products, managing water resources throughout the system, and developing agricultural logistics systems etc.

However, the agricultural economic situation in 2026 still faces the following risk factors and important situations:

1. Climate change has led to increasingly erratic weather conditions, resulting in storms, droughts, and floods that damage to agricultural areas and disrupt agricultural production.
2. Various cost of productions remain high, including fuel oil, chemical fertilizers, pesticides, and animal feed, impacting higher production costs, leading to higher agricultural prices, and hindering competitiveness in the global market.
3. The global economy is expected to slow down, resulting in a decline in international trade between trading partners, which may affect the demand for Thai agricultural products.
4. Geopolitical conflicts in many regions around the world have led to increasingly intense wars between Russia and Ukraine, and Israel and Hamas, the war in the Middle East has intensified, hindering the recovery of the global and Thai economies.
5. Increasingly stringent regulations and trade barriers, especially environmental and health measures from the European Union and the United States, which are important trading partners of Thailand, may affect the competitiveness and export of Thai agricultural products.
6. The trade war between the United States and China affect the global supply chain and international trade, including the export of Thai agricultural products.

Agricultural products are expected to increase for in-season rice, feed corn, cassava, sugarcane, pineapple, rubber, oil palm, longan, durian, mangosteen, and rambutan. Especially in - season rice production is expected to increase due to favorable weather condition with sufficient rainfall and irrigation water for cultivation, resulting in lower prices in 2025 and is expected to increase in 2026. Other agricultural products mentioned above have also increased in crop yield due to favorable climatic conditions for cultivation, sufficient water, and continued domestic and international market demand. On the other hand, crops prices expected to increase are oil palm and fruits, as market demand continues to increase, coupled with government policies to develop product quality to meet standards and promote processing food to be value added product. Other crops, the price level is expected to be close to or slightly lower than the previous year.

Corporate Governance



6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

Corporate Governance Policy

The company's Board of Directors is aware of the importance of Corporate Governance in increasing operational transparency and shareholder confidence, creating thorough management and acting with caution for the greatest benefit, and which can be subject to auditing. The company is steadfast in its aim to undertake business for the satisfaction of shareholders and provision of good return on a continuous and secure basis. The company has written Good Governance Policy approved by the board of directors as follows:

1. Accountability
2. Responsibility
3. Transparency
4. Equitable Treatment to Stakeholders by Considering Personal Right
5. Vision to Create Sustainability, Social Accountability, and Reduce Environmental Impact
6. Ethics and Moralities
7. Anti-Corruption

6.1.1 Policies and Practices Related to Nomination and Remuneration of Directors and Managements

The board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

(1) Defining Objectives and Goal;

“Supply good quality products with fair price to Thai farmers, secure in the performance stability with the engagement of social and environment responsibility”

(2) Determining operational strategies and recruitment of key personnel to achieve objectives and goals

The board of directors has important roles in the governance to achieve maximum benefits for the company and is responsible for duties and responsibilities of directors.

The structure of good governance and area of authority of the board of directors which comprise of qualifications, recruitment, appointment, position roles as well as operations of directors, and operators are

clearly set including policy, regulations, practices and working manuals which are entirely in written documents in order to achieve mutual balance and monitoring. At the same time, an independent internal auditor which has roles and duties as approved by the audit committee will monitor the operations to ensure that the company has effectively complied with the guidelines of related laws and regulations.

(3) Monitoring, Evaluating, and Reporting on Performance

To achieve sustainable value creation, the board should exercise its leadership role and pursue the following governance outcomes:

- (1) Competitiveness and performance with long-term perspective; The company has well managed to get good performance to win SET AWARDS award for outstanding and best performance for many years.
- (2) Ethical and responsible business; The Board of Directors perform as a good model to set the standard for employees by strictly adhering to the Code of Business Conduct and Corporate Governance Policy.
- (3) Good corporate citizenship to society by developing or reducing the negative impact on the environment as per CSR report

(4) Corporate Resilience

Society has developed into globalization or the borderless society as a result of progress and development. Information Technology impacts on Thai society on social, economic and political aspects. The company has to adjust itself to survive, which has been done during the past years round. The style and method of adaptation reflect the policies and methods of a visionary management team who understand the condition, reality and implement a prudent policy to maintain or increase market share and this leads to better performance.

6.1.2 Policies and Practices Regarding Shareholders and Stakeholders.

The board ensures that all directors and executives perform their responsibilities in compliance with their Duty of Care and Duty of Loyalty, and that the company operates in accordance with applicable law, standards, and shareholders resolutions.

The company's board of directors has fulfilled its duties with honesty, transparency, caution, carefulness and understanding of their roles and responsibilities on the basis of law, regulations, rules, the company's restrictions, consensus of shareholders' meeting and good governance by considering relevant regulations, such as The Securities and Exchange Act BE 2535. Decisions are made with honesty and rationality to assume that they are done for maximum benefits of the Company.

The board of directors has policies for shareholders with the following guidelines;

1. Taking care of shareholders and stakeholders equally.
2. Promoting the exercise of shareholders' rights
3. Decisions are within the scope of power.
4. No conflict interest with the Company.
5. Review the compliance with anti - corruption policy and related manuals which have been



approved by the Board of Directors. The board is ready to not demand, accept, pay, or do business with individuals and juristic persons related to corruption. The Company has also joined the Thai Private Sector Collective Action Coalition against Corruption to gain confidence from shareholders and investors.

The Board understand the scope of duties and responsibilities and clearly define the roles and responsibilities of Chief Executive Officer and management as well as monitor and supervise the performance of Chief Executive Officer and the managements to their assigned duties independently.

The Board is independent of the management. Knowledge development program and evaluation of the performance of the directors including supervision of subsidiary company are arranged occasionally. The Board of Directors generally holds a meeting on a quarterly basis with advanced schedule set every year. Special additional sessions can be hold, when necessary, with a clear agenda set in advance. The company's secretary is the person to prepare invitation, meeting agendas and related documents 7 days before the meeting takes place. This is so that the Directors have time to consider and study information. Each meeting takes about two and a half hours. **In 2025**, the board held 4 regular meetings, 4 audit committee meetings, one risk committee meeting and one general shareholder meeting.

While there is no meeting, directors can contact the management for a report of the company performance so that it can monitor management and company performance continuously and promptly.

The company has set a policy of minimum quorum and number of committees of at least two third of the entire board present for voting procedure.

At the board of directors meeting, the managements are invited to provide information and details required from the person in charge with the issue as well as to recognize the senior management for consideration of the succession plan.

At the first Board Meeting and Audit Committee Meeting of the year, a meeting between the Audit Committee and the auditors was held on 17 February 2025, without management attending the first session.

The Board of Directors' meeting was held on 27 February 2025, providing an opportunity for non - executive directors to discuss and find guidelines independently and transparently. They shall also evaluate the work of the Chief Executive Officer and report to the Company Secretary before going to the full board or committee meeting The non - executive directors and the Audit Committee may ask for an increase in number of meetings without the executive directors or management by informing their requirement to the Company Secretary.

The minutes of the meeting have been recorded and endorsed by directors, so they can be checked by related parties.

6.2 Business Ethics

The Board of Directors has approved a corporate governance manual and a code of business ethics for the Company's directors, executives, and all employees. The contents are in written form and are

consistent with applicable laws and regulations, current situation, and good corporate governance, to serve as guidelines for those concerned in performing their duties with honesty, integrity, responsibility, and discipline.

The Company communicates and raises awareness about the corporate governance manual and the code of business ethics to directors, executives, and employees through various channels, including internal information boards, the Company's website, group line, and regular employee meetings, to encourage mutual understanding. A total of 11 directors, 7 executives, and 130 employees, representing 100%, have met the level of knowledge and understanding required by the Company.

6.2.1 Process for Monitoring Compliance with the Corporate Governance Manual and the Code of Business Ethics

Any violation or non-compliance with the Corporate Governance Manual and the Code of Business Ethics found, the following procedures will be taken:

1. Record a report on non-compliance with the Corporate Governance Manual and the Code of Business Ethics.
2. Submit the matter to the management of each department for consideration.
3. Take action in accordance with the Company's regulations.
4. Report the results to the Risk Management Committee for risk assessment and subsequently to the Board of Directors.

In 2025, no complaints or violations of the Code of Business Ethics were reported. Further details of the Company's Corporate Governance Manual and Code of Business Ethics can be accessed on the Company's website:

Corporate Governance Manual: <https://drive.google.com/file/d/1BBzY9CTkb7IBENiwbA2Rr4bNStMtvNpo/view>

Code of Business Ethics: <https://drive.google.com/file/d/1ZoOVkXN5U2txbat996wrgr9ko9lZgOQe/view>

6.3 Significant changes and developments in policies, practices, and systems of corporate governance during the past year

6.3.1 Information on major changes and developments related to policy reviews

The Board of Directors is responsible for considering and approving significant subjects related to the Company's operations. The Company's vision, mission, strategies, corporate governance policies and practices are reviewed and considered annually.

In 2025, the Board of Directors reviewed the above matters and concluded that the Company's vision, mission, strategies, corporate governance policies and practices remain appropriate and aligned with the Company's business operations for the next 1-4 years. The Board keeps on reviewing, monitoring, and ensuring the consistent implementation of these strategies in order to respond to changes in government policies and economic conditions, both domestically and internationally, to enhance opportunities for continuous and sustainable business expansion.

Main issues reviewed during the past year are as follows:

The Board of Directors considered and approved ;

- The update of the Corporate Governance Manual to ensure that it remains up to date. The update includes the addition of 1 Independent Director, resulting in a total of 4 Independent Directors.
- Implementation of Q - Factory Project.
- Conducting the greenhouse gas reduction policy.
- Implementation of policies to facilitate and encourage shareholders to attend the shareholders' meeting.
- Consideration and approval of Audit Committee Charter.

6.3.2 The Company has not yet applied the Good Corporate Governance Principles for Listed Companies 2017 (CG Code) as follows:

1. Selection process for the director position did not pass the nomination committee because the company has not yet appointed this committee. However, the board of directors informs shareholders that they can assemble shareholders combine not less than 5 % of the total number of shareholders to nominate suitable candidates including the board of directors jointly consider and nominate suitable candidates according to the qualifications that should be proposed to the shareholders' meeting for approval. All directors are prohibited from creating any conflict of interest or engaging in any form of business competition with the company.

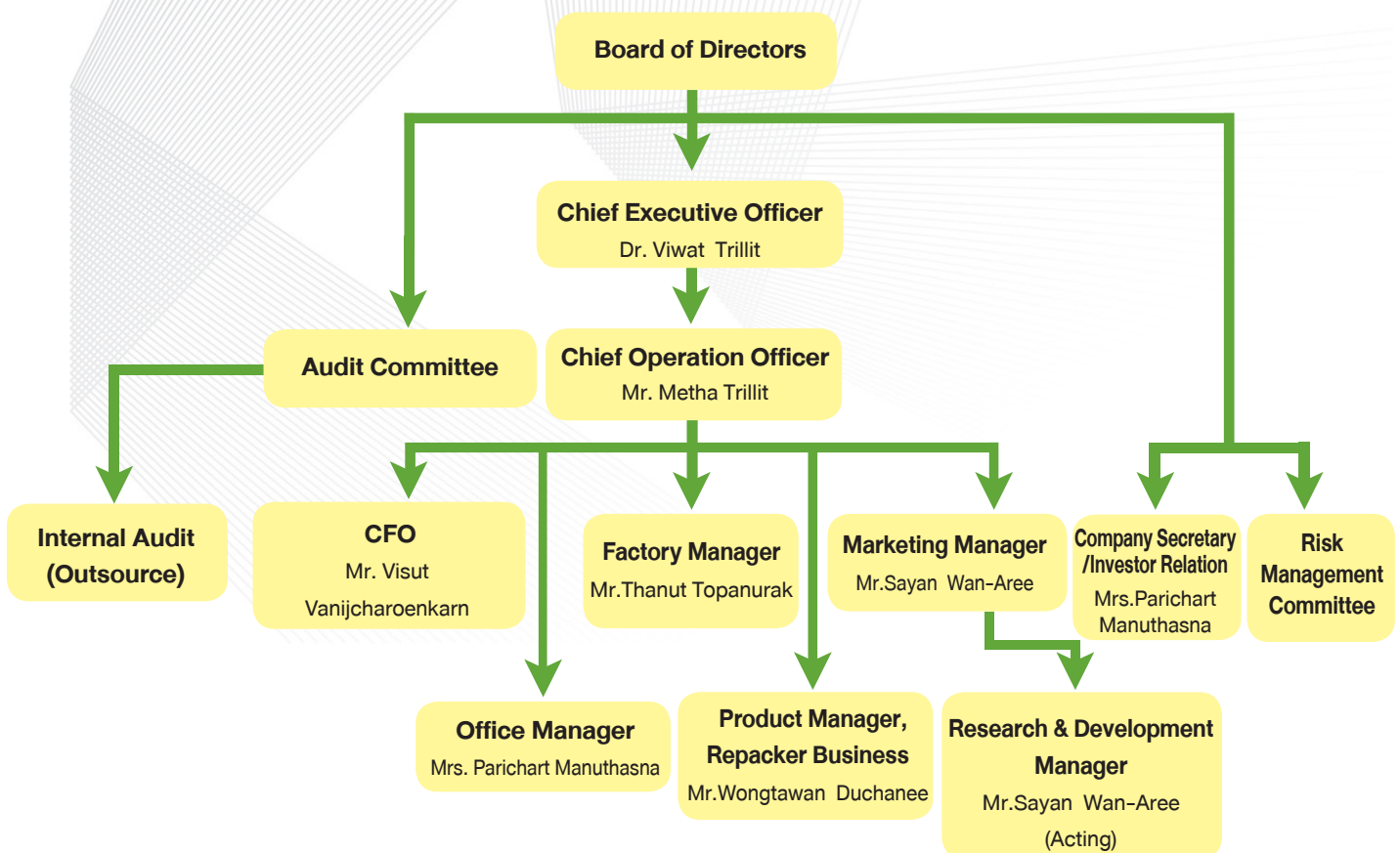
2. The company also cannot determine the position of independent director for a period of not more than 9 years because the agrochemical industry needs someone who understands the complexity of the company's business. Since it is also related to hazardous materials, it requires a person with positive attitude towards the business to drive the business to success and sustainability.





7. Corporate Governance Structure and Significant Information about Directors, Sub – Committees, Executives, employees and others

7.1 Corporate Governance Structure



7.2 Information of the Board of Directors

7.2.1 The composition of the Board of Directors, showing the total number of directors, the ratio of independent directors to the total board of directors, and the proportion of non-executive directors to the total directors.

The board is responsible for determining and reviewing the board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the company's objectives. The Board of Directors consists of a number of qualified directors in the area of skills experience, expertise, gender and age to achieve the organization's goals.

The composition of the Board of Directors in 2025 are as follows;

The company's Board consists of 11 directors;

- 4 Independent Directors represent a percentage of 36.36
- 5 Female Directors represent a percentage of 45.45
- 2 Directors have knowledge of accounting and finance represent a percentage of 18.18
- 2 Non-Executive Directors have experience in agrochemical business represent a percentage of 18.18

Balanced composition of Directors who are not management

- 2 Executive Directors represent a percentage of 18.18 namely;
 - Dr. Viwat Trillit Chief Executive Officer
 - Mr. Metha Trillit Chief Operation Officer/Acting Factory Manager
- 9 Non-Executive Directors including 4 Independent Directors as a percentage of 81.81 namely;
 - Mrs. Wantana Pojanalai Authorized Director
 - Mr. Suvit Wesaratchawest Authorized Director
 - Mr. Surachai Cheongwiwatkit
 - Ms. Ratchanee Trillit
 - Ms. Charina Pojanalai
 - Ms. Arpapachara Siriphunvaraporn Independent Director
 - Mr. Chaiwat Chandarasrivongs Independent Director
 - Mr. Sahai Supsoontornkul Independent Director
 - Dr. Nuansri Tayaputch Independent Director
- 3 Audit Committee Members serving as Independent Directors, namely:
 - Ms. Arpapachara Siriphunvaraporn is an Audit Committee member with expertise and experience in accounting, serving as the Chairman of the Audit Committee.
 - Mr. Chaiwat Chandarasrivongs
 - Mr. Sahai Supsoontornkul

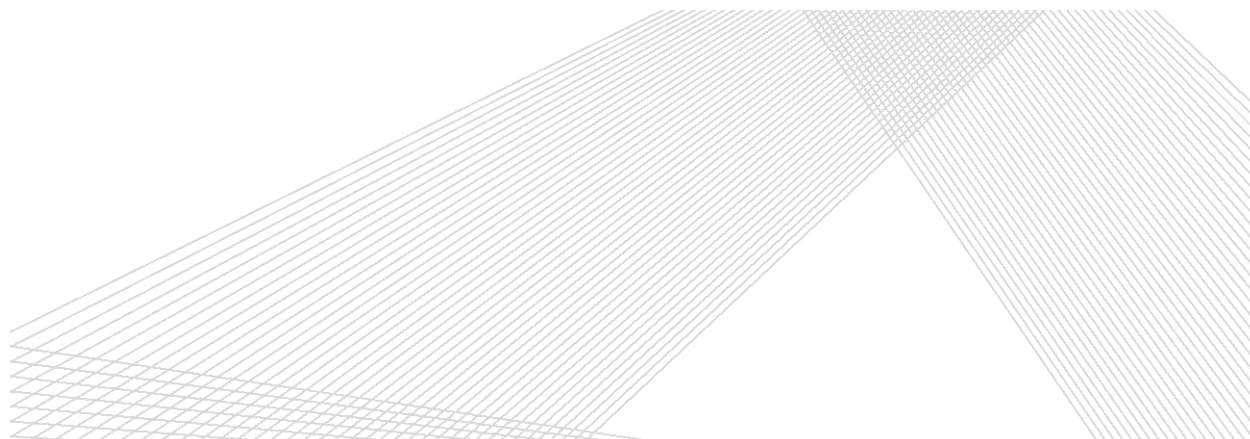
The Company has not yet been able to set term of independent director for up to 9 years, since the agro-chemical industry needs people who actually understand the company's business, which is quite complicated. The company is a formulator of various and seasonal agricultural chemicals for a variety of crops. The raw materials are hazardous substances that must be registered, produced, imported and sold under licenses from the Department of Agriculture, Department of Livestock, Commissioner of Food and Drug.

Moreover, the agrochemical business is viewed by the general public as the one of the causes for destroying environment and harming farmers. In fact, agrochemicals are comparable to medicines for plants, which same as medicines to heal human beings from various life-threatening diseases. In the case of incorrect administration of drugs to patients such as misuse or overuse medicines would result in negative impacts as well as agrochemicals. The proper use of agrochemicals according to the methods, doses and time period with plants and diseases will help to protect the plants from insects, pests and this will increase the quality of the crops and leave no toxic residue to the environment. Therefore, independent committee of the company, in addition to having to understand the business, must have a positive attitude toward the agrochemical business.

Even though, the Independent Committee has held the position for a long time, they strongly believe in independent decision making for the maximum benefits of the Company and its shareholders.

The Board of Directors oversees the disclosure the roles and duties of the Board of Directors and subcommittees in accordance with the number of meetings and the number of times of each director attended the meeting. The board understands the structure and relationship of shareholders that may affect the management and operations of the business.

All directors understand that the company has grown from family business. The directors come from family representatives according to the principle that the shareholder has the rights of ownership by controlling the company through the appointment of the board of directors to act on their behalf and the rights to make a decision regarding to the major changes in the company. However, the company has the independent committee that can monitor the performance of its directors as well as ensure that the disclosed information is transparent and complete. The company also encourages its shareholders to exercise their rights to attend the meetings and to allow the shareholders to propose the agenda and the list of directors for consideration at the annual general meeting.



7.2.2 Information of the Board of Directors and the person with the authority to supervise the company individually by specifying the name of chairman, list of directors and the person who has the power to control the company (if any) and an independent directors, Audit Committee or other committees

The Board of Directors consisted of 11 persons as of December 31, 2025 are as follows:

Name	Position	Holding office from
1. Mr. Metha Trillit	Chairman/Chief Operation Officer (Signatory Director)	April 22, 2024
2. Dr. Viwat Trillit	Chief Executive Officer /Chairman of Risk Committee (Signatory Director)	April 21, 2023
3. Mrs. Wantana Pojanalai	Signatory Director	April 21, 2023
4. Mr. Suvit Wesaratchawest	Signatory Director	April 22, 2024
5. Mr. Surachai Choengwiwatkit	Director	April 21, 2023
6. Ms. Ratchanee Trillit	Director	April 22, 2024
7. Ms. Charina Pojanalai	Director	April 22, 2022
8. Dr. Nuansri Tayaputch	Independent Director	April 22, 2025
9. Ms. Arpachara Siriphunvaraporn	Independent Director /Chairman of Audit Committee/Risk Committee	April 22, 2025
10. Mr. Chaiwat Chandarasrivongs	Independent Director /Audit Committee Member /Risk Committee	April 22, 2025
11. Mr. Sahai Supsoontornkul	Independent Director /Audit Committee Member /Risk Committee	April 22, 2025

Directors authorized to bind the company as per the Company Affidavit: Mr. Metha Trillit or Dr. Viwat Trillit is to co-sign with Mrs. Wantana Pojanalai or Mr. Suvit Wesaratchawest with company seal affixed to affect company documents.

- **Ms. Arpachara Siriphunvaraporn**, Chairman of the Audit Committee has expertise and experience in accounting.

7.2.3 Information about the roles and duties of the Board in order to control, supervises, and monitors the operation with transparent and efficient manner and also identify the roles and duties of the Chairman of the Board.

Authority and Obligation of the Board of Directors

1. To supervise and manage in order to make sure that the operations of the company are in accordance with the law, the objectives and Articles of Association of the company as well as the resolution of the Shareholders' Meeting, and to protect the company's interest based on good corporate governance.
2. To establish the policy and operation direction of the company and to supervise the management to operate as approved plan.
3. To be responsible for policy formulation and oversight of effective anti - corruption and prevent human rights violations so as to make the management realize its importance and implant it as a corporate culture.
4. To make the arrangement of the Shareholders' Meeting as an Annual Ordinary Shareholders' Meeting within 4 months as from the end of the fiscal year of the company and the arrangement of the Shareholders' Meeting as an Extraordinary Shareholders' Meeting when necessary.
5. To hold the Board of Directors' Meeting every three months and not less than half of the directors will attend the meeting. The resolutions of any meeting of directors are decided by the majority of votes, in case of an equality of votes, the chairman has a casting vote.
6. To make an arrangement of the balance - sheet and the profit and loss statement as at the end of the fiscal year of the company in order to present to the General Ordinary Shareholder's Meeting to scrutinize the balance-sheet and the profit and loss statement, and the Board of Directors shall have the auditor to finish the auditing prior to the presentation to the Shareholders' Meeting.
7. To assign the power of management to the Chief Executive Officer to carry out the business of the company including the power to appoint or remove the staff of the company as well as the fixing of the remuneration.
8. To scrutinize and approve the annual budget for investment and for business operation of the company.
9. To implement the internal control and internal audit including financial control system, operation and to supervise the performance as well as risk control risk management including corruption risk and human rights violation.
10. To make an arrangement of financial information report, information and general information important for the shareholders properly, completely and sufficiently together with the verification of the report.
11. A director must not, without the notification to the general meeting of shareholders prior to the appointment, undertake commercial transactions, nor he or she be a partner, an executive



or a shareholder in another juristic person of the same nature as and compete with that of the company.

12. The director who has a special interest in the contract entered with the company or the increase or decrease of the shareholders or of the debentures of the company, must notify the company without delay.
13. The non - executive director, independent committee, auditor, as well as internal auditor hold joint meetings at least once a year to open up an opportunity for various consultancy with freedom and appropriateness. Then the results of the meeting shall be reported to the Chief Executive Officer in case there is any need to make amend regarding the management. It is set at the first Board of Directors' meeting and additional such meeting can be done by informing Company secretary.

Authority and Obligations of Executive Directors

1. To establish the strategic directions and business operation with highest effectiveness and efficiency.
2. To evaluate and to scrutinize the investment project and annual budget in order to be approved by the Board of Directors.
3. To sign in the documents binding on the company as appointed by the Board of Directors.
4. To consider and approve the executing of forward contract as risk management of currency and foreign exchange.
5. To allot the resources and recruit the personnel of potential for the highest benefit of the company.
6. To establish a system and promote anti-corruption and prevent human rights violations. Communicate to employees and all parties involved and to review the appropriateness of the system, measures to be in line with the business, regulation and law required.

The CFO is responsible for monitoring the financial position of the Company and reporting to the Board of Directors on financial ratios and financial liquidity at the Board of Directors meeting quarterly.

- The board has set significant transaction level as follows:

Summary of Significant Transaction Approved

Transaction approved	Board of Directors	Chief Executive Officer/ Chief Operation Officer
1. Approval for purchasing and procurement per transaction	Above 40 million Baht	Less than 40 million Baht
2. Approval for sale of inventories, and fix assets per transaction	Above 40 million Baht	Less than 40 million Baht

The board ensures that it does not consciously approve any transactions or propose any transactions for shareholder approval which could negatively affect business continuity, financial liquidity, and solvency.

Authority and Obligations of Chief Executive Officer

1. To oversee and implement normal management and operations of the company in accordance with regulations, policies, and resolutions of the Board of Directors and / or the resolutions of the

shareholders' meeting.

2. To prepare business policy, business strategy and planning, and budget funding for various projects to the Board of Directors for approval and report on progress.
3. To supervise, consider and approve the appointment, dismissal and disciplinary action against employees in accordance with the company regulations.
4. To sign the contract, orders, or documents on behalf of the company.
5. To authorize other person to act on behalf for specific operations under the scope of the mandate or orders prescribed by the Board.
6. To approve the appointment of consultants required by any project through the Board of Directors.
7. To be a leader and a role model for ethical conduct, business ethics, anti - corruption policies and prevent human rights violations.
8. To follow up the anti - corruption and human rights violations measures taken from the Internal Auditor and report to the Audit Committee and the Board regularly.
9. To hold positions of Chief Executive Officer or other position name in different companies, no more than two companies and the other company must not be a business rival to the company in order to ensure maximum administrative efficiency.

The board selects an appropriate person as the chairman and ensure that the board composition serves the best interest of the company, enabling the board to make its decisions as a result of exercising independent judgment on corporate affairs.

The Chairman of the Board of Directors comes from the major shareholder group which holds 35.19% of total shares. He has been in this business for quite a long time with beneficial experiences to the company.

The Chairman and Chief Executive Officer are not the same person but from the same family. All work and administration must have the approval from the board which comprises representatives of various major shareholder groups and includes the auditing committee which helps to re - examine and provide a counter - balance. The chairman of the Audit committee who is the independent director also requested to consider board agenda.

Authority and Obligations of the Chairman

1. To be Chairman of the Board of Directors and control such meeting to go smoothly.
2. To oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the company's objective.
3. To ensure that all directors contribute to the company's ethical culture and good corporate governance.
4. To set the meeting agenda by discussing with Chief Executive Officer which important matter should be included.
5. To allocate sufficient time for management to propose topics and for directors to debate important matters should be included and encourage directors to exercise discretion and give independent opinions.



6. To promote culture of openness and debate through ensuring constructive relations between executive and non – executive directors, and between the board and management.
7. To sign the document in accordance with the regulations and company’s requirements.
8. To perform any other act designated by the Board under the laws and regulations of the Association and/or the resolutions of the Board of Directors or resolutions of the shareholders’ meeting.

The board should ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the board.

7.3 Information about Sub-Committees

7.3.1 Information and appointed committees

Sub – Committees namely;

- Audit Committee consists of 3 independent directors, 3 of which is knowledgeable in accounting and finance. They are independent in doing their duties in the same manner as stipulated in the regulations of the Stock Exchange of Thailand.
- Risk Management Committee consists of Independent Director, Managements and Internal Auditor.

7.3.2 Name of each Sub-Committees

(1) Audit Committee

Composition of Audit Committee

1. Members of the Audit Committee shall be appointed by the Board of Directors.
2. Audit Committee consists of 3 Independent Directors at least and 1 Audit Committee shall have knowledge and experience sufficient to perform his duties to review the reliability of financial statement.
3. Audit Committee shall elect one of its members to serve as the Chairman of the Audit Committee.

The board establishes an audit committee that can act effectively and independently. The auditing committee was set up on December 17, 1999.

Names of members of the Audit Committee, 2025 are as follows:

Chairman of the Audit Committee	Ms. Arpapachara Siriphunvaraporn
Member of the Audit Committee	Mr. Chaiwat Chandarasrivongs
Member of the Audit Committee	Mr. Sahai Supsoontornkul
Secretary of the Audit Committee	Ms. Navaporn Pohthai (Internal Audit)

Term of Office

1. The Audit Committee serves a term of three years. When the term expires, it may be considered to reappointment for another term.
2. In case an Audit Committee Member becomes vacant due to reasons other than completion

of a term, the Board of Directors shall appoint another person with fitting qualifications to the vacant position, in order to maintain the required number of Audit Committee Members. The replacement member will serve out the remaining term of the Audit Committee Member replaced.

Latest renewal of terms for holding office is 2025. Board of directors' meeting 1/2025 resolved to reappoint Ms. Arpapachara Siriphunvaraporn as the Chairman of Audit Committee for another term.

Qualifications of Audit Committee

(1) Audit Committee, All Audit Committee members must be independent directors and meet the qualifications of independent directors as defined by the Company and in accordance with the requirements of the SEC and SET;

1. Holding shares not more than 1% of total voting shares of the company, the affiliated company, the associated companies or person who may have the conflict of interests (counting of the person concerned according to Section 258 of Securities and Exchange Act).
2. No participation in management including employee, staff, business consultant who receives permanent salary or the person who has the power to control the company, parent company, subsidiary company, associated company or subsidiary companies in the same level or juristic person which may have the conflict of interests (at present and 2 years prior periods to an appointment).
3. No blood relations, nor by way of registration in the manner of father or mother, spouses, brothers and sisters of full blood and legitimate child including spouse of legitimate child and executive, major shareholders or person who has power to control or person who is supposed to be nominated as an executive or person who has power to control the company or subsidiary companies.
4. Business relation with the company
 - (a) Nature of relation
 - Relation in the manner of professional service
 - Nature of relation: Auditor, person who renders professional service, such as legal consultant, financial consultant, properties appraiser etc.
 - Key definition included in the meaning of dependence
 - In case of auditor: Not allowed in all respects.
 - In case of person who renders professional service: Value of transaction more than 2 million baht per year.
 - Commercial/business relations
 - Nature of relation: Extending to all kinds of business transactions, i.e. normal transactions, transaction of letting/renting, transaction relating to asset/service and transaction of giving or receiving financial assistance.
 - Key definition included in the meaning of dependence: value of transaction \geq 20 million

Baht or $\geq 3\%$ of NTA of the company whichever is lower. In this matter, to consider the value of transactions, it is to include transactions during 6 months prior to the day of doing this transaction.

- (b) In case of nature of relation under (a) with juristic person, person deemed to be dependent i.e. major shareholders, director (except independent directors/audit committee) and executive or partners of such juristic person.
 - (c) In case of nature of relation under (a) and (b): at present and 2 - years prior periods to appointment.
 - (d) Exception : In case of necessity or suitability which rarely happens, independent directors / audit committee may have relation more than level of key definition prescribed during in office with prior approval of the board of directors and such resolution must be unanimous.
- 5. Not a director appointed as proxy of the company, major shareholders or shareholder related to major shareholders of the company.
 - 6. No any qualifications not be able to give an opinion independently.
 - 7. Independent director who has the qualifications according to 1 - 6 may be appointed by the board of directors to make decision in the business of the company, parent company, subsidiary company, and associated company, subsidiary company of the same level or juristic person which may have conflict of interests by collective decision.

Authority and Obligations of Audit Committee

An audit committee has the duties as delegated by the Company's board of directors, as follows:

- 1.1 to review the Company's financial reporting process to ensure that it is accurate and adequate;
- 1.2 to review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit. This includes appropriateness and adequacy of potential corruption risks.
- 1.3 to review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;
- 1.4 to consider, select, nominate or terminate an independent person to be the Company's auditor, and to propose such person's remuneration.
- 1.5 to attend a meeting with the external auditors without participation of management at least once a year.
- 1.6 to review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;
- 1.7 to prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (1.7.1) an opinion on the accuracy, completeness and creditability of the Company's financial report.

- (1.7.2) an opinion on the adequacy of the Company's internal control system, and propose to the Board of Directors for the appointment and removal of the Chief Internal Auditor.
- (1.7.3) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
- (1.7.4) an opinion on the suitability of an auditor.
- (1.7.5) an opinion on the transactions that may lead to conflicts of interests.
- (1.7.6) the number of the audit committee meetings, and the attendance of such meetings by each committee member.
- (1.7.7) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
- (1.7.8) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
- 1.8 to perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

(2) Risk Management Committee

Board of Directors' meeting in 2014 approved the setting up of Risk management Committee consist of directors and/or executives of the company, the internal auditor and risk management committee 2025 are namely;

- | | |
|-------------------------------------|---|
| 1. Dr. Viwat Trillit | Chief Executive Officer/
Chairman of Risk Management Committee |
| 2. Ms. Arpapachara Siriphunvaraporn | Chairman of Audit committee |
| 3. Mr. Chaiwat Chandarasriwongs | Audit Committee |
| 4. Mr. Sahai Supsoonthornkul | Audit Committee |
| 5. Mr. Visut Vanitcharoenkarn | CFO |
| 6. Mr. Sayan Wan - Aree | Marketing Manager |
| 7. Mrs. Parichart Manuthasna | Company Secretary/Office manager |
| 8. Ms. Navaporn Pohthai | Internal Auditor |

Risk management Committee's Duties and Responsibilities

1. To consider company's policy and overall risk management guidelines that including significant types of risk including corruption risk, human rights violations risk and present to audit committee for making a report for company board of Directors.
2. To define company's strategy and guideline process for risk management by evaluating, tracing, and controlling the company's risk to be in an appropriate level.
3. To lay down measures for risk management that suite with situation and risk appetite.
4. To follow up on the risk management policy under the risk management guidelines along with the policies set forth.
5. Review the adequacy of policies and risk management systems, including the effectiveness of the system.

The Risk Management Committee Report 2025

The Risk Management Committee appointed by the resolution of the Board of Directors' meeting to serve on the oversight of risk management.

In 2025, The Risk Management Committee is responsible for overseeing the risk management of the company by considering the risk management policy that to be in line with company's objectives, strategies, and risk appetite. The committee regularly reviews the risk management policy. The report reviewed the results of the risk assessment and set the internal audit plan on a quarterly basis. This is to evaluate the impact that might occur from significant risk factors for the company in order to ensure that the risk management has been processed each quarter according to the guidelines specified and also prepare for the uncertain situation that might happen and affect the company in the future. Risk management guidelines, problems and obstacles arising will be reported to the Board of Directors.

Corruption Risk, Human Rights Violation Risk, Privacy Rights, and Measures to Control the Impact of the Business on the Environment Risk are factors that the Board of Directors attaches importance to governance by considering the appropriateness of the relevant company policies and also closely monitor the risk management results incurred in the company.

The company has a risk management system that is efficient enough to govern the company's key risks and is appropriate for the business operations under various activities. Risk management is carried out continuously to be consistent with changing circumstances and to be within risk appetite, and hence, supporting organizational management to achieve sustainable business operations.

Sincerely,



(Dr. Viwat Trillit)

Chairman of Risk Management Committee

7.4 Information about Managements

7.4.1 Names and Position of Managements

7 Managements as of December 31, 2025 are as follows:

Name	Position
1. Dr. Viwat Trillit	Chief Executive Officer/Chairman of Risk Management Committee
2. Mr. Metha Trillit	Chief Operation Officer
3. Mr. Visut Vanijcharoenkarn	CFO/ Risk Committee
4. Mr. Sayan Wan - Aree	Marketing Manager/Acting R&D Manager/Risk Committee
5. Mr. Thanut Topanurak	Factory Manager
6. Mr. Wongtawan Duchanee	Product Manager-Repacker Business
7. Mrs. Parichart Manuthasna	Office Manager/Company Secretary/Risk Committee/ Investor Relations

The Board is responsible for overseeing the establishment of an appropriate compensation and evaluation structure. The remuneration for managements is in accordance with the principles and policies set by the Board of Directors which is linked to the performance of the company and the individual performance of each executive and to be in line with the industrial group.

7.4.2 Remuneration Policy for Executive Directors and Managements

The Board plays an important role in formulating policies in accordance with good practice and supervise the operation of the company in considering appropriate remuneration packages for executive directors and executives consistent with their responsibilities, comparable to those of similar businesses, and sufficient to motivate and retain qualified personnel. Individual Annual performance assessment is used in the consideration process to determine the remuneration of each high - level executive.

7.4.3 Total Remuneration of Executive Directors and Managements

Remuneration

7 executives received total remuneration 17,401,504 baht which includes salary, bonus, commission, vehicle fee, social security expense, life, accident and health insurance

Other remuneration - Provident Fund

The company has established a Provident Fund to the executives paid at the rate of 5 % of salary. In 2025, the company has contributed funds for the 7 executives totaled 633,000 baht.

7.5 Information of Employees

Personnel

The company pays remuneration to employees, including salary, overtime, diligence allowance, living allowance, bonus, social security, and the provident fund. The company has a recruitment process which includes selection, evaluation, compensation, as well as promotion by determining the following indicators: qualifications, diligence, and honesty. In addition to the efficiency and effectiveness of each position are considered in order to reflect the company's commitment to anti-corruption measures.

Subsidiary company applies remuneration and rules of the parent company. There are 130 employees in 2025, the company paid compensation to employees totaled 58,577,462 baht, which include salary, overtime, bonuses, insurance, social security welfare and voluntary provident fund. The subsidiary company has paid the same types of compensation to employees as below:

Year	2023		2024		2025	
	PATO	PCC	PATO	PCC	PATO	PCC
Operations (People)	95	6	96	8	85	7
Head Office Employees (People)	34	-	35	-	31	-
Managements (People)	7	-	7	-	7	-
Total	136	6	135	8	123	7
Remuneration	56,757,343	1,703,454	48,476,828	1,981,086	56,654,394	1,923,068

Remarks: 1) Numbers of employee who voluntary join Provident Fund are 119 members, represent the percentage of 89.47
2) No significantly change in number of employees in the past 3 years.

Guidelines for selecting provident funds

The company selected the fund managers who follow to the principles of Investment Governance Code for Institutional Investors (I Code), manage investments responsibly, considering environmental factors and good governance, revealing investment guidelines leading to investments that take into account the best interests for the company's long-term provident fund members. The selection criteria for considering investment are as follows:

1. Aim for higher earning than the benchmark index.
2. Consider the investment risks.
3. Consider the investment policy, that is expecting higher returns than general bond policy, can accept lower returns compare to term deposits on some occasion and can tolerate the volatility of stock prices, which may rise or fall below the investment value and cause losses in the short term, and also for members who want to receive benefits in the form of interests, dividends and capital gains from debt and equity instruments, focus on getting a fixed amount of return or keeping the principal in full.

4. Consider the investment ratio of Government bonds / Treasury bills / Bank of Thailand bonds / State enterprise bonds / deposits / Certificates of deposit / Debt instruments issued by banks or financial institutions/certifier of debt securities issued by the company / common shares / preferred shares / investment units / alternative assets.
5. Consider the investment performance.

7.6 Other Significant Information

7.6.1 Persons assigned as CFO and Company Secretary

The Board ensure that personnel involved in the preparation and disclosure of information have knowledge, skills, and experience appropriate to their responsibilities and with a sufficient number of such personnel namely; the Chief Executive of Accounting and Finance, Accountants, Internal Auditor, Company Secretary and Investor Relations.

Chief Financial Officer (CFO)

Mr. Visut Vanijcharoenkarn graduated with bachelor's degree in Accounting from Ramkhamhaeng University and M.B.A. from Bangkok University. He has been working with Pato Chemical Industry Public Company Limited in the position of Accounting Manager since 1987 and appointed as the Chief Financial Officer in 2017.

Scope of duties and responsibilities:

1. Supervise on the disbursement, payment, accounting, closing the budget, and financial reports to send to relevant parties including the Revenue Department, Ministry of Commerce, auditor, stock market, Securities and Exchange Commission, shareholders, and financial reports for the management.
2. Analyze, assess, and evaluate the main risks impacting the company's finances, accounting for the financial movements of the company, estimating the growth prospects of the company.
3. Provide advice to the management of the company, especially to the company's executives.
4. Perform other duties as assigned by the board.

Last Year's Training

1. "Employee Wellbeing and Motivation after Crisis" (IOD)
2. "Enhancing Sustainability Disclosure in Accordance with ISSB Standards" (SEC)
3. "Financial Reporting Standards on Sustainability Disclosure: IFRS S1/ IFRS S2" (SEC)
4. "e-Learning CFO's Refresher (Thai Language) (Special Session) 2025" (SET)
5. "Update on Tax Laws and Review of Tax Incentives before Filing, 2025" Dharmniti Seminar and Training Co., Ltd.
6. "Cost Data Analysis for Accountants to Increase Organizational Profit" Dharmniti Seminar and Training Co., Ltd.

Company Secretary

The Board of Directors' Meeting No.6/2007 dated November 12, 2007 appointed Mrs. Parichart Manuthasna to be the Company's secretary for the responsibility of monitoring the compliance to the rules and the Company's regulations and also in line with principles of Good Corporate Governance to allow effective management.

Scope of Duties of Company's Secretary

1. To give initial recommendations to the Board concerning the issues of legality, the Articles of Association to ensure that all regulations properly adhered, including to report to the Board concerning changes which are deemed significant.
2. To organize shareholders' meetings and the Board of Directors' meeting in accordance with the Articles of Association and to record the minutes of the shareholders' and the Board of Directors' meeting, and also follow up activities that have been approved at the meetings to be done.
3. To disclose information in accordance with the Securities and Exchange Commission, the Stock Exchange of Thailand, and other regulatory authorities concerned.
4. To communicate with the shareholders, investors and regulatory authorities, including to provide information to interested persons and stakeholders.
5. To perform any other duties assigned by the Board or Directors.

The Company's Secretary has the experiences in the company since 1987 and completed a training course "Corporate Secretary Development Program" arranged by Thai Listed Companies Association with The Faculty of Commerce and Accountancy Chulalongkorn University, sponsored by Stock Exchange of Thailand and Thai Company Secretary Club. Besides, the company's Secretary has been attending various trainings to develop her knowledge for the programs related consistently and regularly. In 2025 company secretary attended following seminars and workshops;

1. "Employee Wellbeing and Motivation after Crisis" (IOD)
2. "Disclosing Information through the SETLink System No. 1/2025 and 2/2025" (SET)
3. "Board Meeting Management" (SET)
4. "Preparation of the e-One Report to Annual Report" (SET)
5. "Preparation of the Stakeholder Report and Internal Information Usage Policy" (SET)
6. "Intensive Preparation for a Full Score" (TIA)
7. "Revolutionizing Internal Controls with AI: Enhancing Protection for Businesses" (SET)

7.6.2 Investor Relations

The Board of Directors places importance on presenting correct, complete, transparent and thorough information in financial reports and in the presentation of general information, as well as vital information concerning company assets. The various information is disseminated via stock market channels and communications. The company has not yet established an investor relations work unit due to small number of shareholders so far, but has assigned Mrs. Parichart Manuthasna, the Office Manager and Company

Secretary, to undertake contacts with institutional investors, shareholders and as well as analysts and related government sectors.

**Investors can contact for more information at Tel 0 – 2318 – 0360 – 9 ext. 118 or
email: parichart.m@pato.co.th**

The Company allows an opportunity for analysts or investors to schedule telephone interview directly Chief Executive Officer or other related administrative members as well as responding to enquiries via email.

There were no meetings between the Chief Executive Officer and analysts from financial institutions in 2025.

The Board ensures the effective use by the company of information technology in disseminating information. All stakeholders can reach www.patochemical.com for more information.

The Board ensures that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.

The Company is committed to operating its business to satisfy shareholders by creating good and continuous return. The Company arranges shareholders meeting for shareholders to consider various agendas and acknowledge the performance. The Company takes into account that attendees should receive accurate, adequate and timely information.

Shareholders will be able to propose any agendas to the board for consideration before February 10, 2026 by mail, fax or e – mail: auditcom.p@pato.co.th The company has made an announcement to shareholders to propose agendas or nominate director through website of the SET on December 16, 2025.

7.6.3 Audit fees and Auditor's Office

The Audit Committee has presented its recommendation to the Board of Directors to nominate Ms. Nongram Laoha-areedilok, or Ms. Sunanta Kumsuk and Ms. Phakamon Laoha-areedilok from AST Master Co., Ltd. to be the Company's auditor for approval by the shareholders' meeting. The auditors proposed are independent and has no relations or interest with any managements or major shareholders.

(Unit : Baht)

	2025		2024	
	PATO	PCC	PATO	PCC
Audit fee for the year	846,500	155,000	808,000	150,000
Audit fee payable as of December 31,	846,500	155,000	808,000	150,000



8. Report on Important Results of Corporate Governance

8.1 Summary of the duties of the Board of Directors in the previous year

The Board of Directors provides an annual performance evaluation of the Board of Directors, sub-committees and individual directors, the evaluation results should be used for further development of duties.

Responsibility of the Board of Directors over 2025 Financial Statements

The company's Board of Directors is responsible for the balance sheet of the company, and for financial information appearing in the annual report. The said balance sheet is prepared under an accounting standard certified throughout Thailand, with an appropriate accounting balance that has been practiced on a regular basis chosen, and prepared with utmost consideration and estimation. The disclosure of sufficient key information, including the auditor's opinion on the internal control system in the financial statements.

The Board of Directors shall supervise the personnel involved in the preparation of information disclosure on their knowledge, skills and experience to be appropriate to the duties and responsibilities with adequate number of such persons including top management, CFO, accountants, Internal auditor, Company Secretary, and Investor Relations.

The Board of directors has prepared the evaluation form to evaluate the board of directors' operations in order to set guidelines to achieve concrete effectiveness.

The Board of Directors has seen to it that effective internal control system is maintained, so that there is good reasonable confidence that the recorded financial information is correct, complete and sufficient enough to maintain assets and to be aware of weak spots in order to prevent corrupt or dubious practices. The Audit Committee and Chief Executive Officer have done the evaluation test of sufficiency in internal control and assigned an independent internal auditor to summarize the evaluation in order to receive advices on necessary adjustments.

The Board of Directors promotes to arrange the Management Discussion and Analysis for the quarterly financial statements disclosure, in order to provide investors with better information and understanding of changes in financial position and performance of each quarter.

The Audit committee is responsible for the quality of financial reports and internal control. The Audit Committee's opinion on these matters appears in the report by the Audit Committee is also included in this annual report.

The Board is committed to perform its duties with honesty, caution, carefully, and to the best of its abilities, taking into account the maximum mutual benefits of the company, shareholders, and all stakeholders. In addition, the Board has monitored to ensure that the company's efficient operating system is in line with the principles of good corporate governance for stable and sustainable growth of the company. The Board is of the opinion that the Company's overall internal control system is at a satisfactory level, enabling the company to create reasonable confidence in the consolidated financial statements of the company as of December 31, 2025.



(Mr. Metha Trillit)

Chairman of the Board of Directors



8.1.1 Recruitment, Developing, and evaluating the performance of the Board of Directors

(1) Nomination of Directors

The selection of director has not been undertaken by the nominating committee but the board of directors or shareholders holding more than 5 % of shares desires to nominate through the screening process of the board. The board should have come from a variety of professions, field, knowledge, gender, age, and experiences (Board Diversity) to empower the organization with their various knowledge and a person who believe in anti - corruption and against human rights violations. List of nominees will then be proposed to shareholders for consideration and appointment in the annual general meeting of shareholders.

- Shareholder(s) collectively holding shares amounting to at least 5% of total shares may submit their names to nominate a qualified director to the board of directors and propose to general shareholders meeting for consideration. Presently, seven directors represent major shareholders.
- The company shall have a board of directors comprising of at least 5 directors to conduct the business of the company, not less than half of whom shall reside within the Kingdom.
- The directors shall be elected at the shareholder meeting in accordance with the following rules and procedures:
 - Each shareholder shall have a number of votes equal to the number of shares held.
 - In voting for the election of the Company's directors, the shareholders shall use the ballot for electing the directors individually by having all the shareholders cast their own votes to select the person nominated as the director one by one.
 - Each shareholder shall have a number of votes equal to the number of shares held.
 - After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the chairman shall make the decision for the remaining appointment.

(2) Recruitment of Senior Executive

The committee employs the selection criteria and methods of nominating qualified persons for the position of senior management and nominate more than one person, with reasons for consideration. In the selection process, the candidates are screened with complete qualifications, suitability, knowledge, abilities, skills and experiences that are beneficial to the company's operations and have a good understanding of the Company's business and able to manage the work to achieve the objectives goals set by the Board of Directors by;

1. Set qualification for candidates on experiences, gender, knowledge and skills that benefit

the company and being honest, committing to anti-corruption policy and having qualification that do not conflict with the laws and regulations of the company.

2. Promote continuous development and education of the key executives with beneficial knowledge for the company.
3. Select potential staff to be promoted and support with appropriate curriculum in preparation for higher level executive development.
4. Nominate qualified and potential candidates to the board of the directors for consideration and approval.
5. Propose a succession plan for the Chief Executive Officer to the Board of Directors for consideration, recruitment, and appointment.

Vacancy of Directors

- At every annual general meeting, one-third of the directors shall retire. If the number of directors is not a multiple of three, the number of directors closest to one - third shall retire for the first year. For the second year after the registration of the company, the retirement shall be selected by drawing lots. In subsequent years, the director who has held office longest shall retire.
- Apart from vacation upon the expiry of his or her term, a director shall vacate office upon:
 - (1) death;
 - (2) resignation;
 - (3) lack of qualifications or possession of prohibited characteristics under Section 68; of Public Limited Companies Act BE.2535.
 - (4) removal by a resolution of the shareholder meeting of not less than three quarters of the number shareholders attending the meeting who have the right to vote and who have shares totaling not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.
 - (5) removal by a court order.
- In the case of a vacancy in the board of directors for reasons other than the expiration of the director's term of office, the board of directors shall elect a person who has the qualifications and who possesses no prohibited characteristics under Section 68; of Public Limited Companies Act BE.2535 as the substitute director at the next meeting of the board of directors, unless the remaining term of office of the said director is less than two months. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces. The resolution of the board of directors shall be by a vote of not less than three - quarters of the number of directors remaining.

Succession Plans

The company has prepared a plan of succession for key managements to accommodate the expansion and replacement of retirees to ensure continuity in the administration. The company also develop staff to be ready for such succession by considering from knowledge, ability, experience, and vision.

Board of Directors Development

The company sponsors the board of directors to join trainings related to roles and responsibility awareness in accordance with good governance principle.

In 2025, the Chairman of the Audit Committee participated in seminars and training as follows:
“Leading Beyond Questions, The Board’s Adaptive Leadership in Driving Organizational Change”
(IOD)

Managing Director Performance Evaluation of Chief Executive Officer

Board members who are not holding executive positions and the independent committee evaluate the Chief Executive Officer performance at the first Board Meeting of every year. Each quarter, Chief Executive Officer proposes a management strategy, announces the performance of previous quarter, reports successes, problems, and obstacles, analyzes financial ratio, reports financial status, elaborate his vision, project future planning, as well as provides update on strategic planning modification to encountering problems and obstacles to ensure company’s mission accomplishments. From the past, Dr. Viwat Trillit has always been trusted by the board for his services to extend the term of the Chief Executive Officer position.

The Board takes care of the use of human resources consistent with direction and strategy. Employees are knowledgeable and are treated fairly. They get appropriate and right payment. Provident Funds have been set up to provide adequate savings for retirees.

Board of Directors Self – Assessment

The Board of Directors has been evaluated as a collective body and individually once a year to review the sufficiency and effectiveness of good governance in order to set guidelines to achieve concrete effectiveness. The result will be used as information supporting the management to revise their works and duties as appropriate.

The company used a board self-assessment (brief) to self-evaluate the sub-committees and the self-assessment questionnaire for individual evaluation following SET’s guideline. The assessment criteria comes with percentile scales where:

Above 90% = Excellent	Above 80% = Very Good,	70% = Good
50 % = Fair	Under 50% = Need improvements	

The score will be used as a framework for monitoring the performance of the Board of Directors to ensure that the Board has implemented as per Corporate Governance policy approved and / or in accordance with the Good Practices in order to improve the performance of the Board of Directors in line

with the established policy and to review the problems and obstacles that occurred during the year. The evaluation process of the entire board / sub-committee / individual is as follows.

1. The Board of Directors reviews and approves the evaluation form to ensure accuracy and completeness and in accordance with the criteria that the regulators view and define.

2. The Company Secretary send the self - evaluation form to each Directors and collect back.

3. The Company Secretary summarizes and analyzes of the performance evaluation of the Board of Directors and report the results to the Board of Directors for acknowledgement. The analytical results and additional comments from directors will be used for plan improvement. Criteria used in the performance of the entire board / sub-committee / individual, covering the following content:

Evaluation Subject	Entire Board	Sub-Committee	Individual
Structure and Qualification of Director	✓	✓	✓
Board Meeting	✓	✓	✓
Role/Duty / Responsibility of Directors	✓	✓	✓
Relation of Directors and Management	✓		
Development	✓		

The Company's secretary collected the assessment for analysis then reported the result to the board. The result indicated that in 2025, the assessment score came over 80% in all dimensions which means very good.

The Board ensures that the board and each individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards and other



Board Skill Matrix

Board Member/ Knowledge Skills	Company Knowledge	Accounting/ Finance	International Business	Management	Legal	Risk and Crisis Management	Enverronment	Information Technology Digital	Type of Directors		
									Executive Directors	Independent Directors	Non-Executive Directors
1. Mr.Metha Trillit	X	X	X	X		X	X		X		
2. Dr.Viwat Trillit	X	X	X	X		X	X	X	X		
3. Mrs.Wantana Pojanalai	X		X	X			X				X
4. Mr.Suvit Wesarachawest	X	X	X	X		X	X				X
5. Mr.Surachai Choengwiwatkit	X		X	X							X
6. Ms.Ratchanee Trillit	X		X					X			X
7. Ms.Charina Pojanalai	X	X	X	X		X	X	X			X
8. Ms.Arpapachara Siriphunvaraporn	X	X	X	X		X		X		X	
9. Mr.Chaiwat Chandarasrivongs	X						X			X	
10. Mr.Sahai Supsoontornkul	X			X	X	X				X	
11. Dr.Nuansri Tayaputch	X			X			X			X	
Total	11	5	8	9	1	6	7	4	2	4	5

applicable obligations. The board should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the board and board committees.

8.1.2 Meeting attendance and remuneration of the Board of Directors individually.

Each director shall attend the meeting of not less than 75% of total meetings annually.

Name	Regular Board Meeting	A/C Meeting	Risk Committee	AGM
1. Mr.Metha Trillit	4/4	-	-	1/1
2. Dr.Viwat Trillit	4/4	4/4	1/1	1/1
3. Mrs.Wantana Pojanalai	4/4	-	-	1/1
4. Mr.Suvit Wesarachawest	4/4	-	-	0/1
5. Mr.Surachai Choengwiwatkit	2/4	-	-	0/1
6. Ms.Ratchanee Trillit	4/4	-	-	1/1
7. Ms.Charina Pojanalai	4/4	-	-	1/1
8. Ms.Arpapachara Siriphunvaraporn	4/4	4/4	1/1	1/1
9. Mr.Chaiwat Chandarasrivongs	4/4	4/4	1/1	1/1
10. Mr.Sahai Supsoontornkul	4/4	4/4	1/1	1/1
11. Dr.Nuansri Tayaputch (Appointed as Independent Director in April 2025)	3/4	-	-	1/1

In proposing the Board of Directors' remuneration for shareholders' approval, the Board has considered the structure and remuneration rates appropriate to their responsibilities and incentivize the Board to lead the organization to set target.

- **Remuneration for directors** : There is no remuneration committee. The remuneration of directors was considered by the board of directors and was approved in 2025 shareholders' meeting, divided into 2 items as follows :

1. Remuneration

The Board of Directors 11 persons received meeting allowances at 11,000 Baht/meeting.

- Chairman of Audit Committee' remuneration 32,000 Baht/month totaling 384,000 baht.
- Member of Audit Committee's/Independent Director remuneration 15,000 Baht/month
- Meeting allowance for Audit Committee members at 6,000 Baht/meeting

Signatory Director, Mrs. Wantana Pojanalai remuneration 20,000 Baht/month totaling 240,000 Baht.

Total remuneration for 11 directors in 2025 was 1,642,000 Baht

Name	Position	Remuneration in 2025
1. Mr. Metha Trillit	Chief Operation Officer	44,000 Baht
2. Dr. Viwat Trillit	Chief Executive Officer/Chairman of Risk Management Committee	44,000 Baht
3. Mrs. Wantana Pojanalai	Director	284,000 Baht
4. Mr. Suvit Wesarachawest	Director	44,000 Baht
5. Mr. Surachai Choengwiwatkit	Director	22,000 Baht
6. Ms. Ratchanee Trillit	Director	44,000 Baht
7. Ms. Charina Pojanalai	Director	44,000 Baht
8. Ms. Arpapachara Siriphunvaraporn	Independent Director / Chairman of Audit Committee / Risk Committee	452,000 Baht
9. Mr. Chaiwat Chandarasrivongs	Independent Director / Audit Committee / Risk Committee	248,000 Baht
10. Mr. Sahai Supsoontornkul	Independent Director/Audit Committee / Risk Committee	248,000 Baht
11. Dr. Nuansri Tayaputch (Held the position since 22 April 2025)	Independent Director	168,000 Baht

2. Other Benefits: None

8.1.3 The governance of the subsidiary's operations

Pato Chemical Industry Public Company Limited holds 99.99% stake of its subsidiary, Pato Crop Care Company Limited, directors and management of both companies are entirely the same. Same guideline, principles, scope of practice, policies and responsibilities are all applied in equal manner. PCC uses the same auditor as PATO.

8.1.4 Monitoring to ensure compliance with policies and guidelines for corporate governance

The Board of Directors attaches great importance to good corporate governance. The relevant policies and guidelines have been set in the Company's corporate governance policy and business ethics as well as promoting real practice to build confidence among all stakeholders.

During the past year, the Company has monitored to ensure compliance with good corporate

governance covering various matters such as; Employees Equally Treatment, Anti - Unfair Competition, Environmental Care, Organizational Hygiene and Safety, Technology Information Security.

In addition, the Company monitors and manages conflicts of interest that may arise between the Company and the managements, Board of Directors, or shareholders, including the prevention of improper use of assets, company information, and opportunities to go into transactions with those who are related to the Company in an unreasonable manner by complying with good corporate governance in the following 4 issues:

(1) Prevention Conflicts of Interest

To enhance confidence among shareholders, investors, and stakeholders, the Board of Directors take into account conflict of interest, and related items. These have come under careful consideration to avoid actions that may pose a conflict of interest, and on the other hand, promote liberal trade and competition. Besides, stock market regulations concerning the revelation of such items have been adhered to. In 2009, as required by Section 89/14 of the Securities and Exchange Act, all directors and managements are to submit their first report on interest of Directors, Executives to Chairman of Audit committee and Chairman of the Board of Directors to sign for acknowledgement. The reports must be submitted for every change. The Company secretary will be responsible for the filing of the report. In accordance with the rules, the Company has disclosed related party transaction under section 9.2 Connected Transaction.

For flexibility and dedication to their responsibilities, the Board of Directors, has set a rule for directors to be appointed as director of other listed company for a maximum of 5 companies. The Chief Executive Officer is an exception, in order to be able to devote time to manage fully and efficiently, the Board of Directors, therefore, has set a policy and procedures in order to comply with good corporate governance principles, the Chief Executive Officer has the duty to report and disclose information about the company name, type of business, and position to the Board of Directors for consideration and approval before entering the position of such companies at least 3 months in advance. The number of companies is limited to 2 listed companies. Subsidiary or affiliated companies are not included as it is necessary for the Chief Executive Officer to supervise and manage to protect the interests of the company.

The Board ensures that the company's policy prohibit and prevent director from creating conflict of interest with the company, including by using the company's asset, information or opportunities for his or her own benefit as a result of having or taking a director or management position, or having or creating vested interests, both directly and indirectly, in other companies. Information about a directors' other directorship should be reported to shareholders as appropriate.

The Board of Directors has established a system for reporting on the director's other positions and disclosed them to the company secretary to report to the committee for further consideration.

At present, the directors and Chief Executive Officer of the Company do not hold a position as a director of other listed companies.

The Company has provided knowledge on related party transaction, connected transaction, and conflict of interest through the Company's internal communication board. A total of 11 directors, 7 executives,

and 130 employees, representing 100 percent, have achieved the level of knowledge and understanding as required by the Company.

In 2025, no complaints or violations of policy on the disclosure of related party transactions, connected transactions, and conflicts of interest. The Company has disclosed its guidelines on the Company's website.

<https://drive.google.com/file/d/1BBzY9CTkb7IBENiwbA2Rr4bNStMtvNpo/view>

(2) The Use of Inside Information for Own Benefits

Pato Chemical Industry Public Company Limited and its subsidiaries conduct their businesses in accordance with good corporate governance and promote awareness among directors, executives, employees, and relevant parties to prevent using the Company's inside information for personal gain or for the purchase of securities before the Company's financial statements are disclosed to the public.

1. The company has set a policy for the directors and the executives to inform the board of the directors or an authorized person about the execution of shares, 1 day prior to the trading date.

2. The company has kept its directors, management and staff informed about relevant announcements from Securities and Exchange Commission (SEC). The company's directors, management and staff are required to report their changes in security holding to SEC in accordance with section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from the date of changes in their security holding. At the same time, they have to inform the company's secretary to record the changes and update the amount of security of each director and management in order to present to the company's board of directors. The company's directors, management and staff are also informed about their punishments in case of violation or failure to abide by the aforementioned regulations.

3. The company has regulations to prohibit its staff from revealing its financial information and other information that may affect the price of its security to public or to persons who are not involved. Prohibited of Company's securities trading (Blackout Period) is 30 days prior to the disclosure of quarter and annual financial statements and within 24 - 48 hours after the disclosure, as well as during significant events and when other material information that may affect the Company's securities price is publicly disclosed. Those who fail to comply with the aforementioned regulations will be considered violently breaking the company's discipline and shall receive penalties ranging from warning, wage reduction, suspension without pay to termination of employment.

In addition, the Company ensures that its subsidiaries operate in accordance with the use of internal information and securities trading policy. The Company has provided knowledge about the use of internal information in exchange of personal benefit through the Company's internal communication board and Company's website. A total of 11 directors, 7 executives, and 130 employees, representing 100 percent, have knowledge and understanding at the level required by the Company.

In 2025, the Company did not receive any complaints and no violations concerning the use of internal information and securities trading. The Company's guidelines are disclosed on the Company's website. <https://drive.google.com/file/d/1BBzY9CTkb7IBENiwbA2Rr4bNStMtvNpo/view>

(3) Anti-Corruption

In 2018, the company has been approved with a certificate from The Collective Action Against Corrup-



tion. The company implements policy not paying to government officials, not involving and opposing related parties over corruptions. The risk assessment of the Company or its subsidiaries are done to identify the risk that involve with corruption. Communication and employee training to provide knowledge about policies and regulation in term of anti-corruption to ensure the implementation are provided. The policy is revised for appropriateness by the board of directors annually.

The company encourages staff at all levels of awareness on anti-corruption and fraud of all types and has set policies to prevent corruption or bribery within corporate governance policy which comply with laws and regulations both organization and society level as follows:

1. Help reduce the corruption problems from Thai society through good governance and internal audit. Do not provide opportunity for anyone to take advantage of.

2. The values of hard working, honesty, and the greater good are cultivated among the employees. The training sessions have also been organized to inform the employees of the company's policies and guidelines against corruptions. The aims not only to pass on the knowledge but also the conscience at the same time. However, the administrative section believes that if high level executive members demonstrate appropriate behavior worth respecting to be role models, this would much help inspiring and motivating the employees to follow the same path, which is considerably as valuable as sending them to trainings. When the Chairman/Chief Operation Officer and the Chief Executive Officer preserve their dignity of becoming role models to the employees especially on honesty, discipline, value of hard working, and justice, the employees would become more loyal which eventually help reduce the risk of corruption in the organization to a certain level of extent.

3. Avoid taking part in any activities that will lead to private and public corruptions.

The company establish an anti-corruption policy, declare the intention, organize staff training, make a plan to assess the risk of corruption, and arrange training to understand the manual so that it can be put into practice. PATO has been certified by the Thai Private Sector Collective Action Coalition against Corruption in February 2018, and the first certificate renewal was effective from December 31, 2020 to December 31, 2023. The company applied for the second certificate renewal in September 2023 and the renewal was approved in December 31, 2026. Stakeholders can study the manual with guidelines from <https://drive.google.com/file/d/1arj5utxA81KAuCru7vA3zhfuLM6Z20v4/view>

The Internal Audit Report on Fraud

The internal audit report on fraud has objective to consider risks from fraud and proper risk management.

In considering risks from fraud, these factors are taken into account:

1. Need and motivation - to consider whether the company has a policy or factor to create need or motivation for the fraud.

2. Opportunity - to consider whether the company has structure or process to encourage the fraud.
3. Reason and honesty - to consider factors which affect the reason and honesty of the company's personnel.

The consideration of risk management aims to ensure that the company has three important processes:

1. Preventive - the company has policy or system for internal control to prevent the risk of fraud.
2. Detective - the company has channel or process to detect the abnormality in the organization.
3. Responsive - the company has clear and strict penalties for those who broke the agreement.

The company has an internal audit on fraud by considering the risk of fraud as follows.

1. Needs and Motivations - Considering company's policy whether they create needs or motivation of fraud.
2. Opportunities - Considering organizational structure or work procedures whether they create opportunity for corruption.
3. Rationality and honesty - Considering factors that affect the validity and integrity of company's personnel.

From the audit of the company's structure, policy and internal control, it is found that:

1. The company has structure that clearly separates duties for each department.
2. The company has efficient internal control system for each department to check each other's work.

For example, Sales Department is responsible for sales order while Operation Department is responsible for warehouse control, operation and delivery. When the Sales Department receives the money from customers, the payment will be delivered and monitored by the Accounting Department.

3. The management has a clear anti - corruption policy to help reduce fraud in Thai society by avoiding to get involved with any activities that can lead to corruption both government and private sector.
4. The company is careful in preparing any promotional plans that may lead to any corruption.
5. The management is personally close to employees so they will know if something is likely to go wrong in the company.
6. So far, there has been no fraud incident in the company.



(Ms. Navaporn Pohthai)

Independent Internal Auditor

(4) Whistleblowing or Complaints

The Company has established measures to ensure that all stakeholders are able to submit complaints to the Company through various channels in order to enhance the effectiveness of stakeholder care. These measures are specified as part of the Company's Code of Conduct. Stakeholders may submit complaints or express opinions to the Company in accordance with the rules and procedures for handling complaints through the following channel:

Audit Committee, Pato Chemical Industry Public Company Limited, Pato Building 3388 New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310 Fax: 02 3180367 or e-mail: auditcom.p@pato.co.th

When a complaint is received, the Secretary of the Audit Committee shall gather the facts and prepare a report for submission to the Audit Committee for investigation and determination of appropriate corrective measures. The matter shall then be reported to the Audit Committee and the Chairman of the Board for acknowledgement. The Company has measures in place to protect whistleblowers or complainants who do not wish to disclose their identities, and all information will be kept strictly confidential.

Employees may report any misconduct within the organization by submitting a written complaint together with supporting evidence (if any). The complaint may be submitted anonymously by placing it in the suggestion box, and the Chief Executive Officer is the only key holder. The Company will present the matter at the management meeting for consideration, investigation, and further corrective actions.

In 2025, the Company had no disputes involving stakeholders and received no whistleblowing or complaints.

8.2 Report on the performance of the Audit Committee in the past year

8.2.1 Number of meetings and attendance of the individual audit committee

Each director should attend at least 75% of the total number of Board meetings held during the year as follows:

Name	A/C Meeting
1. Ms. Arpapachara Siriphunvaraporn (Chairman of Audit Committee)	4/4
2. Mr. Chaiwat Chandarasrivongs (Audit Committee)	4/4
3. Mr. Sahai Supsoontornkul (Audit Committee)	4/4

8.2.2 Report on performance of Audit Committee

Report of the Audit Committee

The Audit Committee of Pato Chemical Industry Public Company Limited compose of 3 Independent Directors and Internal Auditor serves as secretary to the Committee.

The duties and responsibilities of the Audit Committee are to review the financial statements to be conformed to the generally accepted accounting principles, to review the effectiveness and adequacy of internal control system, to review the Company's activities to abide by the rules and laws concerned, to give recommendation to the Board of Directors to propose external auditor to the shareholders' meeting for appointment, and to execute any other duties as assigned by the Board of Directors. The Board of Directors by the audit committee appoints the Chief Internal Auditor, Ms. Navaporn Pohthai who has appropriate education and adequate training experience to perform such duties and evaluate risks of all business units of the company and reviewed the internal control relatively with the significant risk level evaluated.

During 2025, the Audit Committee convened 4 meetings with the external auditors, internal auditor, and the managements to review the Company's risk evaluation result, annual audit plan, and the result of internal control to be in compliance with standard set for the mentioned objectives. It also reviewed the Company's financial statements prior to its publication. At the Board Meeting 1/2026, the managements did not attend the first part of meeting in order that the audit committee, the external auditors, and the internal auditor will be able to discuss freely and appropriately. The Audit Committee has come to the opinion that fiscal year ended December 31, 2025, the Company has an adequate and appropriate system of internal control covering operational risk. The preparation and disclosures of the financial statements of the Company is also adequate and reliable.

The board of directors acknowledges the connected transactions from the management that review by the internal and external auditors on a quarterly basis. This is to ensure that all transactions are carefully approved with transparent process by honest and responsible directors and executives. In addition, the related parties will not participate in any decision making process. Currently, there are only rental properties transaction between PATO and its subsidiaries and the management fees from its subsidiaries.

The Audit Committee has presented its recommendation to the Board of Directors to nominate Ms. Nongram Laoha-areedilok, or Ms. Sunanta Kumsuk, and Ms. Phakamon Laoha - areedilok from AST Master Co., Ltd. to be the Company's auditor for approval by the shareholders' meeting. The auditors proposed are independent and has no relations or interest with any managements or major shareholders. The audit fee 889,000 baht with as increase from the year 2025 by 42,500 baht and no other fees for the year 2026.



(Ms. Arpapachara Siriphunvaraporn)

Chairman of Audit Committee

February 13, 2026



9. Internal Control and Connected Transactions

9.1 Internal Control

The Company has realized the importance of the effective internal control system at the levels of both executive and operation. Therefore, they have supervised the utilization of the company resources and separated the internal control work from other functions. The external internal auditor has been engaged in order to independently inspect the operations with the balance of monitoring and supervision. In addition, the financial internal control has been established to supervise the financial issues. The concerned issues shall be reported to the in-charge executives and the regulations in writing have been given to be used as operational guidelines. The internal auditing team shall report the audit result directly to the Board of Auditing Committee.

Audit Committee of the company has independently evaluated and reviewed regarding the efficiency of the internal control system of the company to ensure that it conforms to Good Governance including the review of the investigation result from Internal Audit Department on issues and suggestions for the department to rectify or improve the internal control system. From the evaluation results of the Audit Committee, the internal control of the company is efficient, suitable, effective, and efficiency conform to the Good Governance. The conclusion can be shown as the following;

Organization and Environment

The current organizational structure is suitable and can facilitate the business of the company. The company has issued the policy to require board of directors, executives, and employees prioritize ethics as the first priority in the work and avoid the behavior which creates the conflict between the company benefit and person interest or any corruption. Moreover, the company expects all transactions whether it is conducted between employees, suppliers, clients, and other parties shall be in fair market conduct manner.

Risk Management

The company has the process to evaluate the risk which can affect the company including the setting of the measure to eliminate or limit the severity from that effect by considering both the internal and external factors as well as having the ongoing monitoring process to minimize the risk.

9.1.1 The adequacy and appropriateness of the Company's internal control system and adequate personnel arrangements for effective outcome

The company provides the effective internal control system which shows the clear process for sales, procurement, and production. The responsibilities are separated and evaluated between departments by the internal control as a part of the work to ensure that the work is conformed to the policy and measure. Moreover, the work is evaluated and investigated officially by the independent internal auditor and certified public accountant. This verification covers the review and the efficiency of internal control for both of financial and the operation.



9.1.2 In the past, what kind of errors or mistakes did the Company have in relation to internal control? If so, has the company completely corrected the aforementioned errors or mistakes and how?

The company has internal auditor that is independent to conduct the audit and evaluate the results of each unit to ensure that the various operations of the company comply with policies and practices under a strict control system. Major errors or mistakes in the control system, irregularities or actions that may violate the Code of Business Conduct will be fixed and report to management and review by the Audit Committee. The person in charge of each unit will follow up on the progress of the recommendations from the internal auditor's report until the problem is solved. The Audit Committee has assessed and reviewed according to the agenda on the effectiveness of the management's follow-up process and found that the errors or mistakes have been fixed according to the instructions.

9.1.3 Specify the opinion of the Audit Committee in cases where it differs from the opinion of the Board of Directors.

None

9.1.4 Opinion of the Audit Committee to the person holding the position of Head of Internal Audit

The head of internal audit is an external unit. In the meeting of Board of Auditing Committee No. 1/2026 on February 13, 2026, Miss Navaporn Pohthai has been designated as the Company's internal auditor for 2026. The Board of Auditing Committee has considered that Miss Navaporn has suitable qualification for this responsibility as she has worked independently in the auditing field, and joined in Pato Chemical Industry PCL for 16 years. The designation, dismissal and transfer of the chief internal auditor shall be considered and approved by the Board of Auditing Committee. The qualification of the internal auditor has been shown in the Attachment No. 2.

9.1.5 Appointment, removal and transfer of the person holding the position of Head of Internal Audit

The consideration and approval, appointment, removal, transfer of the person holding the position of the head of the internal audit the company must be approved by the Audit Committee.

9.2 Connected Transaction

9.2.1 Specify the name of the group of persons who may be in conflict of interest

The company relies on the following principles when executing a transaction:

- A transaction must be approved through a transparent process by the board or executive with responsible, cautious, and honest consideration while the stakeholders are not part of the decision making.
- A transaction must be executed in the purpose of making highest profit to the company as if making a transaction with other external bodies under normal business condition according to the market pricing and details specified in the agreement.
- There must be a tracking and inspecting measure in place to ensure the executed transaction is in consistent with the right procedure.

Space Rent (1)

Company	Company	Connected Transaction
Pato Chemical Industry PCL.	: Kentex Properties Co., Ltd.	- Pato rents office space in Pato Building, which belongs to Kentex Properties Co., Ltd.

Pato rents office space in Pato Building as per following details:

Location	: Pato Building, 3388 New Petchburi Road Bangkapi, Huay Kwang, Bangkok 10310
Building ownership	: Kentex Properties Co., Ltd (a related company)
Significant Content of the rent contract	: - Pato Chemical Industry PCL rents the 1st-3rd floor of the building with usable space of 745.82 square meters, rental fee 100,000 baht per month. Yearly rental period is from 1 August 2025 - 31 July 2026. Rental fee is adjustable every 2 years. Each adjustment shall not exceed 25% of the prevailing rental rate. The contract stipulates that the lessor is responsible for the property tax and land tax. Other out - of - pocket expense, including tax on electricity, telephone charge, water and other utility services are for the lessee.

(2)

Company	Company	Connected Transaction
Pato Chemical Industry PCL.	: Pato Crop Care Co., Ltd.	Pato Crop Care Co., Ltd. rents space owned by Pato Chemical Industry PCL. as office, manufacturing plant, and warehouse.



Pato Crop Care rent space at the factory of Pato Chemical Industry PCL. as office, manufacturing plant and warehouse as per following details:

Location	: 569/1 Bangpoo Industrial Estate, Soi 12, Patana 13 Road, Praksa, Muang Samutprakarn
Building ownership	: Pato Chemical Industry PCL.
Significant Content of the rent contract	: Pato Crop Care Co., Ltd. rents building no. 5 and 6 for the total area of 1,080 sq. meter with machinery of Pato Chemical Industry PCL. as office, manufacturing plant and warehouse. Monthly rental fee is 50,000 baht. The contract is renewed for another 5 years' rent, from 01/01/2026-31/12/2031.

Service Fee

Summary of Service Contracts on Administration and Sales Management	<ul style="list-style-type: none"> - Pato Crop Care Ltd. has been hiring Pato Chemical Industry PCL. to recruit management team or personnel to do the organization administration and product sales management. - Fee will be calculated equally for administration and sales management on quarterly net sales basis as follows: <ol style="list-style-type: none"> 1. Net sales from 1 baht up to 50 million baht subject to 1.5% each for administration and sales management. (1.5%+1.5%) 2. Net sales exceeding 50 million baht subject to 1.0% each for administration and sales management. (1.0%+1.0%)
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9.2.2 Explain the necessity and reason of the transaction.

The Hazard Substances Act B.E. 2551 (2008) allows only 3 trade names to be registered under one product. So, Pato Crop care has been established to solve the problem of insufficient trade names for formulation to customers' order under customers' trade names.

9.2.3 Explain the policy and trend of future related party transactions.

Same as above list without any changes or additions.

9.2.4 In the event that the appraisal price is shown in conjunction with related transactions, the company shall disclose the information.

None

Independent Auditor's Report

Independent Auditor's Report

To the Board of Directors and Shareholders of
Pato Chemical Industry Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of **Pato Chemical Industry Public Company Limited and its subsidiary** (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information and have also audited the separate financial statements of **Pato Chemical Industry Public Company Limited** for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Pato Chemical Industry Public Company Limited and its subsidiary** and of **Pato Chemical Industry Public Company Limited** as at 31 December 2025, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.



Key audit matter and how audit procedures respond are described below.

Revenue recognition

The Group's revenue are mainly derived from the sales of pesticide, representing of 99% of total revenue. Revenue from the sales of goods are considered as significant transaction and have a direct effect on the profit and loss of the Group. In addition, the Group has a large number of customers and a variety of different commercial terms. As a result, the Group's revenue recognition based on the commercial term in sale agreement and sale document which are determined. Furthermore, the trend of economic slowdown and high competition, therefore there are risks with respect to the amount and timing of revenue recognition.

I examined the Group's revenue recognition by assessing and testing the effectiveness of internal controls over the revenue cycle, applying a sampling method to select sales transactions to examine the accuracy and appropriateness of the revenue recorded whether they were in compliance with the conditions set out in the agreements or sales documents and in compliance with the Group's policy. On a sampling basis, I examined supporting documents to sales incurred during the year and near the end of the accounting period. I examined the credit notes issued after the period-end and examined the significant adjustment made to the revenues. I also analyzed revenues disaggregated by products group to determine the accuracy and the appropriateness of revenues recognized throughout the accounting period.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Nongram Laohaareedilok

NONGRAM LAOHAAREEDILOK
Certified Public Accountant
Registration No. 4334

AST Master Co., Ltd.
27 February 2026

PATO CHEMICAL INDUSTRY PUBLIC CO

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 20

EXPRESSED IN THAI BAHT



PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

		In Baht				
		Consolidated		Separate		
		financial statements		financial statements		
Notes		2025	2024	2025	2024	
<u>ASSETS</u>						
CURRENT ASSETS						
	Cash and cash equivalents	6	22,994,474	54,453,693	18,654,228	44,632,882
	Trade and other current receivables	7	60,720,970	92,872,930	62,095,708	97,305,678
	Inventories	8	192,705,582	159,630,793	187,923,284	156,140,456
	Other current financial assets	9	149,516,107	208,121,761	149,495,001	208,100,996
	Total current assets		425,937,133	515,079,177	418,168,221	506,180,012
NON-CURRENT ASSETS						
	Other non-current financial assets	10	33,067,417	34,132,061	33,067,417	34,132,061
	Investment in subsidiary	11	-	-	5,000,000	5,000,000
	Property, plant and equipment	12	54,528,982	53,509,009	54,428,491	53,482,560
	Intangible assets	13	16,926,575	20,102,087	14,150,576	16,593,099
	Deferred tax assets	24	11,590,545	10,713,331	11,590,545	10,713,331
	Other non-current assets		44,195	70,055	44,195	70,055
	Total non-current assets		116,157,714	118,526,543	118,281,224	119,991,106
TOTAL ASSETS			542,094,847	633,605,720	536,449,445	626,171,118

The notes to the financial statements are an integral part of these financial statements.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2025

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2025	2024	2025	2024
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Short-term loans from financial institutions	14	-	30,670,368	-	30,670,368
Trade and other current payables	15	28,727,073	63,357,245	26,112,034	59,145,454
Accrued income tax		6,305,106	11,627,035	6,220,991	11,065,116
Other current liabilities		1,481,100	944,208	1,406,987	918,287
Total current liabilities		36,513,279	106,598,856	33,740,012	101,799,225
NON-CURRENT LIABILITY					
Non-current provisions for employee benefit	16	28,417,135	26,402,721	28,417,135	26,402,721
Total non-current liability		28,417,135	26,402,721	28,417,135	26,402,721
Total liabilities		64,930,414	133,001,577	62,157,147	128,201,946
SHAREHOLDERS' EQUITY					
Share capital-Baht 1 each					
Authorized shares capital					
142,372,000 ordinary shares		142,372,000	142,372,000	142,372,000	142,372,000
Issued and paid-up share capital					
142,372,000 ordinary shares		142,372,000	142,372,000	142,372,000	142,372,000
Premium on share capital		162,014,708	162,014,708	162,014,708	162,014,708
Retained earnings					
Appropriated for legal reserve		14,237,700	14,237,700	14,237,700	14,237,700
Unappropriated		182,168,495	204,380,631	179,296,360	201,745,660
Other components of equity		(23,628,470)	(22,400,896)	(23,628,470)	(22,400,896)
Total shareholders' equity		477,164,433	500,604,143	474,292,298	497,969,172
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		542,094,847	633,605,720	536,449,445	626,171,118

The notes to the financial statements are an integral part of these financial statements.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2025	2024	2025	2024
Sales		483,830,415	627,444,928	471,831,453	611,236,279
Cost of sales	8	(337,837,314)	(449,955,328)	(332,538,865)	(442,442,663)
Gross profit		145,993,101	177,489,600	139,292,588	168,793,616
Other income	20	121,525	393,269	2,005,149	2,754,175
Profit(loss) on exchange rate		2,518,502	(41,880)	2,431,306	(53,732)
Profit before expenses		148,633,128	177,840,989	143,729,043	171,494,059
Cost of distributions		(33,189,288)	(36,307,370)	(31,382,093)	(34,989,087)
Administrative expenses		(39,250,035)	(39,651,558)	(38,954,533)	(39,340,079)
Total expenses		(72,439,323)	(75,958,928)	(70,336,626)	(74,329,166)
Profit from operating activities		76,193,805	101,882,061	73,392,417	97,164,893
Financial income	19	4,612,698	6,203,116	6,612,188	9,852,415
Finance costs		(789,537)	(1,166,336)	(785,919)	(1,161,276)
Profit before income tax		80,016,966	106,918,841	79,218,686	105,856,032
Tax expenses	24	(15,133,036)	(20,970,645)	(14,571,920)	(20,021,223)
Net profit for the year		64,883,930	85,948,196	64,646,766	85,834,809
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent year					
Loss from investments in equity securities measured at fair value through other comprehensive income		(1,534,468)	(9,569,661)	(1,534,468)	(9,569,661)
Less : Income tax effect	24	306,894	1,913,932	306,894	1,913,932
Net		(1,227,574)	(7,655,729)	(1,227,574)	(7,655,729)
Loss from remeasurements of post-employment benefit obligations		(2,091,157)	(766,053)	(2,091,157)	(766,053)
Less : Income tax effect	24	418,231	153,211	418,231	153,211
Net		(1,672,926)	(612,842)	(1,672,926)	(612,842)
Other comprehensive income for the year - Net		(2,900,500)	(8,268,571)	(2,900,500)	(8,268,571)
Total comprehensive income for the year		61,983,430	77,679,625	61,746,266	77,566,238
Profit for the year attributable to:					
Equity holders of the parent		64,883,930	85,948,196	64,646,766	85,834,809
Total comprehensive income for the year attributable to:					
Equity holders of the parent		61,983,430	77,679,625	61,746,266	77,566,238
Basic earnings per share					
Profit attributable to equity holders of the parent		0.46	0.60	0.45	0.60

The notes to the financial statements are an integral part of these financial statements.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

		In Baht				
		Consolidated financial statements				
	Notes	Issued and paid - up share capital	Premium on share capital	Retained earnings		Other components of equity
				Appropriated for legal reserve	Unappropriated	
						Total
Balance as at 1 January 2024		142,372,000	162,014,708	14,237,700	190,231,227	494,110,468
Dividends paid	18	-	-	-	(71,185,950)	(71,185,950)
Profit for the year		-	-	-	85,948,196	85,948,196
Other comprehensive income for the year		-	-	-	(612,842)	(8,268,571)
Total comprehensive income for the year		-	-	-	85,335,354	77,679,625
Balance as at 31 December 2024		142,372,000	162,014,708	14,237,700	204,380,631	500,604,143
Balance as at 1 January 2025		142,372,000	162,014,708	14,237,700	204,380,631	500,604,143
Dividends paid	18	-	-	-	(85,423,140)	(85,423,140)
Profit for the year		-	-	-	64,883,930	64,883,930
Other comprehensive income for the year		-	-	-	(1,672,926)	(2,900,500)
Total comprehensive income for the year		-	-	-	63,211,004	61,983,430
Balance as at 31 December 2025		142,372,000	162,014,708	14,237,700	182,168,495	477,164,433

The notes to the financial statements are an integral part of these financial statements.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

		In Baht				
		Separate financial statements				
	Notes	Issued and paid - up share capital	Premium on share capital	Retained earnings		Other components of equity
				Appropriated for legal reserve	Unappropriated	
Balance as at 1 January 2024		142,372,000	162,014,708	14,237,700	187,709,643	(14,745,167)
Dividends paid	18	-	-	-	(71,185,950)	-
Profit for the year		-	-	-	85,834,809	-
Other comprehensive income for the year		-	-	-	(612,842)	(7,655,729)
Total comprehensive income for the year		-	-	-	85,221,967	(7,655,729)
Balance as at 31 December 2024		142,372,000	162,014,708	14,237,700	201,745,660	(22,400,896)
Balance as at 1 January 2025		142,372,000	162,014,708	14,237,700	201,745,660	(22,400,896)
Dividends paid	18	-	-	-	(85,423,140)	-
Profit for the year		-	-	-	64,646,766	-
Other comprehensive income for the year		-	-	-	(1,672,926)	(1,227,574)
Total comprehensive income for the year		-	-	-	62,973,840	(1,227,574)
Balance as at 31 December 2025		142,372,000	162,014,708	14,237,700	179,296,360	(23,628,470)

The notes to the financial statements are an integral part of these financial statements.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit for the year	64,883,930	85,948,196	64,646,766	85,834,809
Adjustments to reconcile net profit to net cash provided by operating activities				
Tax expenses	15,133,036	20,970,645	14,571,920	20,021,223
Interest expenses	789,537	1,166,336	785,919	1,161,276
Depreciation and amortization	11,415,425	11,062,039	10,890,483	10,520,282
Loss on write-off of defective inventories	770,894	997,824	770,894	965,753
Loss on diminution in value of inventories	26,769	-	26,769	-
Retirement employee benefit	819,094	698,102	819,094	698,102
Unrealized loss on exchange rate	-	311,894	-	311,894
Loss(gain) from changes in value of investments	714,092	(837,611)	714,433	(837,186)
Loss on disposal of investments in				
equity investment units-open-end fund	1,605,041	561,070	1,605,041	561,070
Gain on disposal of assets	(15,998)	(273,659)	(15,998)	(273,659)
Loss on write-off of intangible assets	1,832,186	-	1,192,927	-
Dividend income from subsidiary	-	-	(2,000,000)	(3,650,000)
Dividend income from other companies	(6,928,471)	(5,915,652)	(6,928,471)	(5,915,652)
Profit from operational activities before change in operational assets and liabilities	91,045,535	114,689,184	87,079,777	109,397,912
Decrease(increase) in operational assets				
Trade and other current accounts receivable	32,151,960	(8,618,801)	33,559,970	(8,131,827)
Inventories	(33,872,452)	28,684,676	(32,580,491)	28,459,713
Other non-current assets	25,860	(15,066)	25,860	(15,066)
Increase(decrease) in operational liabilities				
Trade and other current accounts payable	(34,630,172)	29,046,935	(33,033,420)	26,839,148
Other current liabilities	555,489	43,986	507,297	22,993
Employee benefit obligations retirement	(1,288,067)	(3,006,334)	(1,288,067)	(3,006,334)
Cash received from operations	53,988,153	160,824,580	54,270,926	153,566,539
Income tax paid	(20,607,054)	(20,312,858)	(19,568,134)	(19,404,374)
Net cash provided by operating activities	33,381,099	140,511,722	34,702,792	134,162,165

The notes to the financial statements are an integral part of these financial statements.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease(increase) investments in unit trust-open-end fund	56,286,521	(63,378,301)	56,286,521	(63,378,301)
Cash paid for purchase of investments in equity instruments	(850,500)	(1,009,268)	(850,500)	(1,009,268)
Cash received from investments in equity instruments	380,676	407,911	380,676	407,911
Proceeds from disposal of assets	15,998	373,762	15,998	373,762
Cash paid for acquisition of equipment and vehicles	(9,311,148)	(8,168,246)	(9,216,774)	(8,148,986)
Cash paid for acquisition of intangible asset	(1,780,924)	(3,159,214)	(1,370,044)	(2,460,504)
Cash received from dividend income	6,928,471	5,915,652	10,578,471	8,415,652
Net cash provided by (used in) investing activities	51,669,094	(69,017,704)	55,824,348	(65,799,734)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase(decrease) in short-term loan from financial institutions	(30,670,368)	30,358,474	(30,670,368)	30,358,474
Dividends paid	(85,441,737)	(71,158,928)	(85,441,737)	(71,158,928)
Interest paid	(397,307)	(720,080)	(393,689)	(715,020)
Net cash used in financing activities	(116,509,412)	(41,520,534)	(116,505,794)	(41,515,474)
Net increase(decrease) in cash and cash equivalents	(31,459,219)	29,973,484	(25,978,654)	26,846,957
Cash and cash equivalents, beginning of year	54,453,693	24,480,209	44,632,882	17,785,925
Cash and cash equivalents, end of year	<u>22,994,474</u>	<u>54,453,693</u>	<u>18,654,228</u>	<u>44,632,882</u>
Supplement disclosures of cash flows information				
Non cash transactions:				
Decrease(increase) in accrued dividend income	-	-	1,650,000	(1,150,000)
Increase(decrease) in dividend payable	(18,597)	27,022	(18,597)	27,022

The notes to the financial statements are an integral part of these financial statements.

**PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

1. GENERAL INFORMATION

Pato Chemical Industry Public Company Limited was a public company limited and was listed on the Stock Exchange of Thailand in 1993. The Company is engaged in the business of formulating and distributing of pesticides. Major shareholder is Trillit Family.

The address of its registered office is at 3388 New Petchburi Road, Bangkok, Huai Khwang, Bangkok.

2. BASIS FOR THE INTERIM FINANCIAL STATEMENTS PREPARATION

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRSs); guidelines promulgated by the Federation of Accounting Professions (“TFAC”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates.

The financial statements have been prepared on going concern basis by using the historical cost convention except as disclosed in the accounting policies below.

The consolidated and separate financial statements are presented in Baht, which is also the Group’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest unit unless otherwise stated.

“The Company” represents “Pato Chemical Industry Public Company Limited,” while “The Group” represents “Pato Chemical Industry Public Company Limited” and its subsidiary which is “Pato Crop Care Company Limited”.

The consolidated financial statements are prepared based on the same accounting policies for the same accounting items or similar accounting events. Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

For the convenience of the user, an English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current year

During current year, the Group has adopted several revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025, onwards.

The adoption of these standards does not have any significant impact on the Group’s financial statements.

3.2 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2026, onwards

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2026, onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards making financial reporting standards clearer and more appropriate.

The Group's management believe that the amended financial reporting standards shall not have significant impacts to the Group.

4. INFORMATION ABOUT MATERIAL ACCOUNTING POLICIES

4.1. Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.2. Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow-moving and defective inventories.

4.3. Investment in subsidiary

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. If is deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains(losses) on transactions between group companies are eliminated; accounting policies of subsidiary have been changed to ensure consistency with the policies adopted by the Group, respectively(if any).

In the Company's separated financial statements, investment in subsidiary is accounted for at cost less impairment(if any).

4.4. Property, plant and equipment

Property, plant and equipment are initially recorded at cost. All assets except for land are stated at historical cost less accumulated depreciation(if any).

Depreciation of plant and equipment are calculated on the straight line method over their estimated useful lives are as follows :

	<u>No. of Years</u>
Buildings and building improvement	10-20
Machinery and equipment	5
Vehicles	5-10
Office equipment and fixtures	5

When assets are sold or retired, the Company will eliminated their costs and accumulated depreciation from the accounts and any gain or loss resulting from their disposal is included in the profit or loss.

Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Building in progress and machine and equipment under installation are stated at cost less accumulated depreciation(if any). These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.5. Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses(if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The useful life of computer software is approximately 3 years.

Direct costs for obtaining a license to operate a business, the useful life is approximately 6 years.

4.6. Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.7. Foreign currency transactions

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the profit or loss.

4.8. Leases

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease liabilities based on lease payments.

Short-term leases and Leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.9. Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Post-employment benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in other comprehensive income not to be reclassified.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

4.10. Provision

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

4.11. Revenue recognition

Revenue from sale of pesticide chemical products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. A receivable is recognized when the goods are delivered to the customer's specific location at which the Company has right to receive payment of that consideration is due. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts.

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of distinct goods or service from the customer.

Rental income is recognised on a straight-line basis over the lease term.

Interest income is recognized on an accrual basis using the effective interest method by the book value of the financial assets multiplied by the effective interest rate.

Dividend income is recognized when the right to receive payment is established.

4.12. Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.13. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit by weighted average number of paid-up ordinary shares during the years.

4.14. Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Moreover, Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified and recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.15. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.16. Critical accounting estimates and assumption

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Property, plant and equipment and Intangible assets

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of The Group plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

Allowance for net realizable value

The Group considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Leases

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Lease classification-The Group as a lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4.17. Related parties

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company, including holding companies, subsidiary and fellow subsidiary are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

5. TRANSACTIONS WITH RELATED PARTIES

5.1 Relationships and pricing policies

	Relationships
<u>Subsidiary</u>	
Pato Crop Care Co., Ltd.	Shareholding by the Company and Directorship
<u>Related company</u>	
Kentex Properties Co., Ltd.	Common Shareholders and Directors
	Pricing policy
Sales	Compared to market price
Purchase	Cost plus margin
Management fee	At Contract price which had been agreed upon
Rental income/Rental expenses	At Contract price which had been agreed upon
Guarantees	No additional fee

5.2 Balance of transaction between the Company with subsidiary and related company

Balances of transactions between the Company with subsidiary and related company as at 31 December 2025 and 2024 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Trade accounts receivable				
Subsidiary	-	-	4,459,212	9,594,665
Other current receivable				
Subsidiary	-	-	319,336	1,301,958
Accrued dividend income				
Subsidiary	-	-	2,000,000	3,650,000
Other current payable				
Related company	39,784	42,406	39,784	42,406

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

5.3 Business transactions with subsidiary, related persons and company

Business transaction with subsidiary, related persons and company for the years ended 31 December 2025 and 2024 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Revenue from sales				
Subsidiary	-	-	28,720,908	40,117,437
Dividend income				
Subsidiary	-	-	2,000,000	3,650,000
Rental income				
Subsidiary	-	-	600,000	600,000
Management income				
Subsidiary	-	-	1,283,624	1,760,906
Purchase of goods				
Subsidiary	-	-	744,000	-
Rental expenses				
Related company	1,200,000	1,200,000	1,200,000	1,200,000
Directors' and managements' remuneration				
Short-term employee benefits	17,137,000	15,215,990	17,137,000	15,215,990
Post-employment benefits	264,504	233,654	264,504	233,654
Total	17,401,504	15,449,644	17,401,504	15,449,644

6. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2025	2024	2025	2024
Cash	469,136	421,758	469,136	421,758
Saving Accounts	1,203,241	1,038,488	1,147,564	982,979
Current Accounts	21,322,097	52,993,447	17,037,528	43,228,145
Total	22,994,474	54,453,693	18,654,228	44,632,882

The weighted average effective interest rates of deposits at financial institutions were 0.25% - 0.30% per annum (2024: 0.25% - 0.30% per annum).

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

7. TRADE AND OTHER CURRENT RECEIVABLES

	In Baht			
	Consolidated		Separate	
	financial Statements		financial Statements	
	2025	2024	2025	2024
Trade accounts receivable -				
Subsidiary (Note 5.2)	-	-	4,459,212	9,594,665
Trade accounts receivable -				
Other companies	57,605,396	89,227,756	52,247,460	79,179,195
Total trade accounts receivable	57,605,396	89,227,756	56,706,672	88,773,860
Other current receivable -				
Subsidiary (Note 5.2)	-	-	319,336	1,301,958
Accrued dividend income -				
Subsidiary (Note 5.2)	-	-	2,000,000	3,650,000
Prepaid expenses	1,935,876	2,552,605	1,900,002	2,497,291
Advances payment	1,179,698	1,092,569	1,169,698	1,082,569
Total	60,720,970	92,872,930	62,095,708	97,305,678

Aging of trade accounts receivable as at 31 December 2025 and 2024 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Trade accounts receivable - Subsidiary				
Within credit terms	-	-	4,459,212	9,594,665
Trade accounts receivable - Other companies				
Within credit terms	55,477,622	88,485,477	50,119,686	78,436,916
Overdue				
Less than 3 months	2,127,774	742,279	2,127,774	742,279
Total trade accounts receivable -				
Other companies	57,605,396	89,227,756	52,247,460	79,179,195

The normal credit term for general customers ranging 60 days - 150 days after the Group has the right to bill for the goods or services already transferred to customers.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

8. INVENTORIES

In Baht						
Consolidated financial statements						
	Cost		Allowance for diminution of inventories		Inventories-net	
	2025	2024	2025	2024	2025	2024
Finished Goods	9,267,467	8,932,009	-	-	9,267,467	8,932,009
Work in Process	540,723	1,214,168	-	-	540,723	1,214,168
Packaging	13,911,970	15,918,693	-	-	13,911,970	15,918,693
Raw Material	150,598,520	110,893,921	(26,769)	-	150,571,751	110,893,921
Raw Material in Transit	18,413,671	22,672,002	-	-	18,413,671	22,672,002
Total	<u>192,732,351</u>	<u>159,630,793</u>	<u>(26,769)</u>	<u>-</u>	<u>192,705,582</u>	<u>159,630,793</u>

In Baht						
Separate financial statements						
	Cost		Allowance for diminution of inventories		Inventories-net	
	2025	2024	2025	2024	2025	2024
Finished Goods	9,086,547	8,612,144	-	-	9,086,547	8,612,144
Work in Process	540,723	1,207,832	-	-	540,723	1,207,832
Packaging	12,350,004	14,098,033	-	-	12,350,004	14,098,033
Raw Material	147,559,108	110,499,146	(26,769)	-	147,532,339	110,499,146
Raw Material in Transit	18,413,671	21,723,301	-	-	18,413,671	21,723,301
Total	<u>187,950,053</u>	<u>156,140,456</u>	<u>(26,769)</u>	<u>-</u>	<u>187,923,284</u>	<u>156,140,456</u>

Cost of sales recognized in the statement of comprehensive income for the years ended 31 December 2025 and 2024 are comprised. as follows:

In Baht				
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cost of sales	337,039,651	448,957,504	331,741,202	441,476,910
Loss on write-off defective inventories	770,894	997,824	770,894	965,753
Loss on diminution in value of inventories	26,769	-	26,769	-
Total	<u>337,837,314</u>	<u>449,955,328</u>	<u>332,538,865</u>	<u>442,442,663</u>

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

9. OTHER CURRENT FINANCIAL ASSETS

Changes in unit trusts in open-ended funds measured at fair value through profit or loss for the years ended 31 December 2025 and 2024 can be analyzed as follows :

	In Bath			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Opening balance	208,121,761	144,466,919	208,100,996	144,446,579
Additions during the year	90,000,000	170,000,000	90,000,000	170,000,000
Disposal during the year	(147,891,562)	(107,182,769)	(147,891,562)	(107,182,769)
Gain(loss) on change in fair value	(714,092)	837,611	(714,433)	837,186
Ending balance	149,516,107	208,121,761	149,495,001	208,100,996

10. OTHER NON-CURRENT FINANCIAL ASSETS

Changes in equity investments measured at fair value through other comprehensive income for the years ended 31 December 2025 and 2024 can be analyzed as follows.

	In Baht	
	Consolidated and Separate financial statements	
	2025	2024
Opening balance	34,132,061	43,100,365
Additions during the year	850,500	1,009,268
Capital reduction the year	(380,676)	(407,911)
Loss on change in fair value	(1,534,468)	(9,569,661)
Ending balance	33,067,417	34,132,061

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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Investments in equity instruments measured at fair value through other comprehensive income as at 31 December 2025 and 2024

Consolidated and separate financial statements

Company's name	Nature of business	Fair value		Dividend income during the years	
		2025	2024	2025	2024
Investments in listed equity securities					
BTS Mass Transit Growth Infrastructure Fund	Transportation & Logistics	1,091,840	1,279,500	-	-
Prime Office Leasehold Property Fund	Property Fund & REITs	1,532,720	1,431,290	180,230	173,581
Krungthai Car Rent And Lease Public Co., Ltd.	Finance & Securities	786,450	667,380	44,100	27,930
TMT Steel Public Co., Ltd.	Steel and Metal Products	2,791,120	3,152,560	-	200,800
Asia Plus Group Holding Public Co., Ltd.	Finance & Securities	4,993,440	5,833,920	197,760	420,240
Pruksa Holding Public Co., Ltd.	Property Development	843,448	1,861,240	18,848	188,480
Asia Sermkij Leasing Public Co., Ltd.	Finance & Securities	3,547,800	3,754,350	116,640	422,820
Advanced Information Technology Public Co., Ltd.	Information & Communication Technology	6,659,415	5,563,215	753,638	438,480
Thai Vegetable Oil Public Co., Ltd.	Food & Beverage	5,839,680	5,996,100	451,011	378,015
Ratchathani Leasing Public Co., Ltd.	Finance & Securities	4,019,400	3,696,000	161,700	12,615
Thai DEX SET High Dividend ETF	Investment management	962,104	896,506	21,025	42,000
Total investments in equity instruments measured at FVOCI		33,067,417	34,132,061	1,944,952	2,304,961

11. INVESTMENTS IN SUBSIDIARY

Separate financial statements as at 31 December 2025 and 2024

Activities	Paid up Capital	%	At Cost
	(In Baht)	Holdings	(In Baht)
Pato Crop Care Co., Ltd.	<u>5,000,000</u>	100	<u>5,000,000</u>



PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

12. PROPERTY, PLANT AND EQUIPMENT

	In Baht						
	Consolidated financial statements						
	Land	Building and building improvement	Machinery and equipment	Vehicles	Office equipment and fixtures	Building under construction	Total
As at 1 January 2024							
Cost	10,962,000	103,252,316	64,847,411	42,042,679	24,799,325	2,666,440	248,570,171
<u>Less</u> Accumulated depreciation	-	(96,216,033)	(58,854,446)	(16,871,961)	(23,447,184)	-	(195,389,624)
Net book amount	<u>10,962,000</u>	<u>7,036,283</u>	<u>5,992,965</u>	<u>25,170,718</u>	<u>1,352,141</u>	<u>2,666,440</u>	<u>53,180,547</u>
Transactions during the year ended 31 December 2024							
Opening net book amount	10,962,000	7,036,283	5,992,965	25,170,718	1,352,141	2,666,440	53,180,547
<u>Add</u> Acquisition	-	1,313,960	4,361,240	2,171,850	321,196	-	8,168,246
Assets transferred in(out)	-	2,666,440	-	-	-	(2,666,440)	-
<u>Less</u> Disposals	-	-	(3)	(100,002)	(98)	-	(100,103)
Depreciation	-	(1,389,823)	(1,939,136)	(4,000,090)	(410,632)	-	(7,739,681)
Closing net book amount	<u>10,962,000</u>	<u>9,626,860</u>	<u>8,415,066</u>	<u>23,242,476</u>	<u>1,262,607</u>	<u>-</u>	<u>53,509,009</u>
As at 31 December 2024							
Cost	10,962,000	107,232,716	66,972,297	42,262,935	19,436,002	-	246,865,950
<u>Less</u> Accumulated depreciation	-	(97,605,856)	(58,557,231)	(19,020,459)	(18,173,395)	-	(193,356,941)
Net book amount	<u>10,962,000</u>	<u>9,626,860</u>	<u>8,415,066</u>	<u>23,242,476</u>	<u>1,262,607</u>	<u>-</u>	<u>53,509,009</u>

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

	In Baht						
	Consolidated financial statements (Continued)						
	Land	Building and building improvement	Machinery and equipment	Vehicles	Office equipment and fixtures	Building under construction	Total
As at 1 January 2025							
Cost	10,962,000	107,232,716	66,972,297	42,262,935	19,436,002	-	246,865,950
<u>Less</u> Accumulated depreciation	-	(97,605,856)	(58,557,231)	(19,020,459)	(18,173,395)	-	(193,356,941)
Net book amount	10,962,000	9,626,860	8,415,066	23,242,476	1,262,607	-	53,509,009
Transactions during the year ended							
31 December 2025							
Opening net book amount	10,962,000	9,626,860	8,415,066	23,242,476	1,262,607	-	53,509,009
<u>Add</u> Acquisition	-	334,910	8,601,957	-	374,281	-	9,311,148
<u>Less</u> Depreciation	-	(1,409,534)	(2,493,576)	(3,943,688)	(444,377)	-	(8,291,175)
Closing net book amount	10,962,000	8,552,236	14,523,447	19,298,788	1,192,511	-	54,528,982
As at 31 December 2025							
Cost	10,962,000	107,428,526	75,377,929	42,262,935	19,810,282	-	255,841,672
<u>Less</u> Accumulated depreciation	-	(98,876,290)	(60,854,482)	(22,964,147)	(18,617,771)	-	(201,312,690)
Net book amount	10,962,000	8,552,236	14,523,447	19,298,788	1,192,511	-	54,528,982

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FOR THE YEAR ENDED 31 DECEMBER 2025

	In Baht					
	Separate financial statements					
	Building and building improvement	Machinery and equipment	Vehicles	Office equipment and fixtures	Building under construction	Total
As at 1 January 2024						
Cost	10,962,000	103,252,316	64,722,007	42,042,679	24,799,325	248,444,767
<u>Less</u> Accumulated depreciation	-	(96,216,033)	(58,764,841)	(16,871,961)	(23,447,184)	(195,300,019)
Net book amount	10,962,000	7,036,283	5,957,166	25,170,718	1,352,141	53,144,748
Transactions during the year ended						
31 December 2024						
Opening net book amount	10,962,000	7,036,283	5,957,166	25,170,718	1,352,141	53,144,748
<u>Add</u> Acquisition	-	1,313,960	4,341,980	2,171,850	321,196	8,148,986
Assets transferred in(out)	-	2,666,440	-	-	-	(2,666,440)
<u>Less</u> Disposals	-	-	(3)	(100,002)	(98)	(100,103)
Depreciation	-	(1,389,823)	(1,910,526)	(4,000,090)	(410,632)	(7,711,071)
Closing net book amount	10,962,000	9,626,860	8,388,617	23,242,476	1,262,607	53,482,560
As at 31 December 2024						
Cost	10,962,000	107,232,716	66,917,238	42,262,935	19,436,002	246,810,891
<u>Less</u> Accumulated depreciation	-	(97,605,856)	(58,528,621)	(19,020,459)	(18,173,395)	(193,328,331)
Net book amount	10,962,000	9,626,860	8,388,617	23,242,476	1,262,607	53,482,560



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

	In Baht					
	Separate financial statements (Continued)					
	Land	Building and building improvement	Machinery and equipment	Vehicles	Office equipment and fixtures	Building under construction
As at 1 January 2025						Total
Cost	10,962,000	107,232,716	66,917,238	42,262,935	19,436,002	-
Less Accumulated depreciation	-	(97,605,856)	(58,528,621)	(19,020,459)	(18,173,395)	-
Net book amount	10,962,000	9,626,860	8,388,617	23,242,476	1,262,607	-
Transactions during the year ended						
31 December 2025						
Opening net book amount	10,962,000	9,626,860	8,388,617	23,242,476	1,262,607	-
Add Acquisition	-	334,910	8,507,583	-	374,281	-
Less Depreciation	-	(1,409,534)	(2,473,244)	(3,943,688)	(444,377)	-
Closing net book amount	10,962,000	8,552,236	14,422,956	19,298,788	1,192,511	-
As at 31 December 2025						
Cost	10,962,000	107,428,526	75,257,106	42,262,935	19,810,282	-
Less Accumulated depreciation	-	(98,876,290)	(60,834,150)	(22,964,147)	(18,617,771)	-
Net book amount	10,962,000	8,552,236	14,422,956	19,298,788	1,192,511	-

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

13. INTANGIBLE ASSETS

	In Baht			
	Consolidated financial statements			
	Computer Software	Licenses	Licenses in process	Total
As at 1 January 2024				
Cost	998,237	43,910,938	12,852,906	57,762,081
<u>Less</u> Accumulated amortization	<u>(696,972)</u>	<u>(36,799,878)</u>	<u>-</u>	<u>(37,496,850)</u>
Closing net book value	<u>301,265</u>	<u>7,111,060</u>	<u>12,852,906</u>	<u>20,265,231</u>
Transactions during the year ended 31 December 2024				
Opening net book value	301,265	7,111,060	12,852,906	20,265,231
<u>Add</u> Additions	<u>238,114</u>	<u>-</u>	<u>2,921,100</u>	<u>3,159,214</u>
Transfer to intangible assets	-	4,468,518	(4,468,518)	-
<u>Less</u> amortization	<u>(185,719)</u>	<u>(3,136,639)</u>	<u>-</u>	<u>(3,322,358)</u>
Closing net book value	<u>353,660</u>	<u>8,442,939</u>	<u>11,305,488</u>	<u>20,102,087</u>
As at 31 December 2024				
Cost	1,165,249	48,379,456	11,305,488	60,850,193
<u>Less</u> Accumulated amortization	<u>(811,589)</u>	<u>(39,936,517)</u>	<u>-</u>	<u>(40,748,106)</u>
Closing net book value	<u>353,660</u>	<u>8,442,939</u>	<u>11,305,488</u>	<u>20,102,087</u>
Transactions during the year ended 31 December 2025				
Opening net book value	353,660	8,442,939	11,305,488	20,102,087
<u>Add</u> Additions	<u>-</u>	<u>-</u>	<u>1,780,924</u>	<u>1,780,924</u>
Transfer to intangible assets	-	4,901,204	(4,901,204)	-
<u>Less</u> amortization	<u>(214,215)</u>	<u>(2,910,035)</u>	<u>-</u>	<u>(3,124,250)</u>
Transfer to expense	-	-	(1,832,186)	(1,832,186)
Closing net book value	<u>139,445</u>	<u>10,434,108</u>	<u>6,353,022</u>	<u>16,926,575</u>
As at 31 December 2025				
Cost	1,165,249	53,280,660	6,353,022	60,798,931
<u>Less</u> Accumulated amortization	<u>(1,025,804)</u>	<u>(42,846,552)</u>	<u>-</u>	<u>(43,872,356)</u>
Closing net book value	<u>139,445</u>	<u>10,434,108</u>	<u>6,353,022</u>	<u>16,926,575</u>

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	In Baht			
	Separate financial statements			
	Computer Software	Licenses	Licenses in process	Total
As at 1 January 2024				
Cost	998,237	40,749,138	10,866,517	52,613,892
<u>Less</u> Accumulated amortization	(696,972)	(34,975,114)	-	(35,672,086)
Closing net book value	<u>301,265</u>	<u>5,774,024</u>	<u>10,866,517</u>	<u>16,941,806</u>
Transactions during the year ended 31 December 2024				
Opening net book value	301,265	5,774,024	10,866,517	16,941,806
<u>Add</u> Additions	238,114	-	2,222,390	2,460,504
Transfer to intangible assets	-	4,201,018	(4,201,018)	-
<u>Less</u> amortization	(185,719)	(2,623,492)	-	(2,809,211)
Closing net book value	<u>353,660</u>	<u>7,351,550</u>	<u>8,887,889</u>	<u>16,593,099</u>
As at 31 December 2024				
Cost	1,165,249	44,950,156	8,887,889	55,003,294
<u>Less</u> Accumulated amortization	(811,589)	(37,598,606)	-	(38,410,195)
Closing net book value	<u>353,660</u>	<u>7,351,550</u>	<u>8,887,889</u>	<u>16,593,099</u>
Transactions during the year ended 31 December 2025				
Opening net book value	353,660	7,351,550	8,887,889	16,593,099
<u>Add</u> Additions	-	-	1,370,044	1,370,044
Transfer to intangible assets	-	4,227,104	(4,227,104)	-
<u>Less</u> amortization	(214,215)	(2,405,425)	-	(2,619,640)
Transfer to expense	-	-	(1,192,927)	(1,192,927)
Closing net book value	<u>139,445</u>	<u>9,173,229</u>	<u>4,837,902</u>	<u>14,150,576</u>
As at 31 December 2025				
Cost	1,165,249	49,177,260	4,837,902	55,180,411
<u>Less</u> Accumulated amortization	(1,025,804)	(40,004,031)	-	(41,029,835)
Closing net book value	<u>139,445</u>	<u>9,173,229</u>	<u>4,837,902</u>	<u>14,150,576</u>

The average remaining amortization for intangible assets of useful life of Licenses is 3 years.

14. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Trust Receipts	<u>-</u>	<u>30,670,368</u>	<u>-</u>	<u>30,670,368</u>

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As at 31 December 2025, the Group has the facilities available with bank overdrafts and loans from banks in the amount of Baht 745.46 million (2024 : Baht 761.88 million) which bear interest at the rate of 2.31% - 5.40% per annum (2024 : 3.01% - 5.69% per annum).

15. TRADE AND OTHER CURRENT PAYABLES

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Trade accounts payable -				
Other companies	3,135,170	33,826,480	3,135,170	32,834,058
Advances for inventories	26,497	13,350	26,497	13,350
Accrued expenses	25,565,406	29,517,415	22,950,367	26,298,046
Total	<u>28,727,073</u>	<u>63,357,245</u>	<u>26,112,034</u>	<u>59,145,454</u>

16. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Changes in the non-current provisions for employee benefits for the years ended 31 December 2025 and 2024 are summarized below.

	In Baht	
	Consolidated and Separate	
	financial statements	
	2025	2024
For the year ended 31 December		
Defined benefit obligations at 1 January	26,402,721	27,498,644
Included in profit or loss:		
Current service costs	225,983	698,102
Past service costs	593,111	-
Interest on obligation	392,230	446,256
Actuarial loss(gain) arising from		
Financial assumptions changes	508,167	(219,024)
Demographic assumptions changes	-	418,209
Experience adjustments	1,582,990	566,868
Employee benefit paid during the year	<u>(1,288,067)</u>	<u>(3,006,334)</u>
Defined benefit obligations at 31 December	<u>28,417,135</u>	<u>26,402,721</u>

In 2025, the Company expect to pay of long-term employee benefits during the next year amount 13.19 million Baht. (2024 : Baht 12.16 Million)

As at 31 December 2025, the weighted average duration of the liabilities for long-term employee benefit is 8 years. (2024 : 7 years)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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Principal actuarial assumptions at the reporting date

	2025	2024
Discount rate	2.28% per annum	2.65% per annum
Salary increase rate	5.00%	5.00%
Employee turnover rate	Scale related to Age ranging from 1.91% - 22.92%	Scale related to Age ranging from 1.91% - 22.92%
Mortality rate	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Consolidated and Separate financial statements

	In Baht	
	Increase	Decrease
Defined benefit obligation at 31 December 2025		
Discount rate (1.0% movement)	(1,141,059)	1,299,732
Future salary growth (1.0% movement)	1,439,974	(1,289,618)
Employee turnover rate (20.0% movement)	(781,311)	871,264
Defined benefit obligation at 31 December 2024		
Discount rate (1.0% movement)	(1,308,365)	1,500,739
Future salary growth (1.0% movement)	1,637,275	(1,453,660)
Employee turnover rate (20.0% movement)	(842,091)	936,566

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

17. LEGAL RESERVE

The legal reserve of the Company was established in accordance with the provisions of the Thai public Company Limited Act B.E. 2535, which requires the appropriation as legal reserve of at least 5% of net income for the year (if any) until the reserve reaches 10% of the authorized share capital. This reserve is not available for dividend distribution.

18. DIVIDENDS PAID

At the ordinary shareholders' meeting dated on 22 April 2025, the shareholders approved the payment of dividends at Baht 0.60 per share for 142.4 million shares totaling Baht 85.42 million to the ordinary shareholders, paid from net profit as at 31 December 2024. The Company has already paid for such dividends on 13 May 2025.

At the ordinary shareholders' meeting dated on 22 April 2024, the shareholders approved the payment of dividends at Baht 0.50 per share for 142.4 million shares totaling Baht 71.19 million to the ordinary shareholders, paid from retained earnings as at 31 December 2023. The Company has already paid for such dividends on 10 May 2024.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

19. FINANCIAL INCOME

Financial income for the years ended 31 December 2025 and 2024 are summarised below.

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Loss on disposal of investments in equity investment units-open-end fund	(1,605,041)	(561,070)	(1,605,041)	(561,070)
Gain(loss) from changes in value of investments in equity investment units-open-end fund	(714,092)	837,611	(714,433)	837,186
Dividends income - Other companies	6,928,471	5,915,652	6,928,471	5,915,652
Dividend income - Subsidiary (Note 5.3)	-	-	2,000,000	3,650,000
Interest income	3,360	10,923	3,191	10,647
Total	<u>4,612,698</u>	<u>6,203,116</u>	<u>6,612,188</u>	<u>9,852,415</u>

20. OTHER INCOME

Other income for the years ended 31 December 2025 and 2024 are summarised below.

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Rental income - Subsidiary (Note 5.3)	-	-	600,000	600,000
Management income - Subsidiary (Note 5.3)	-	-	1,283,624	1,760,906
Gain from disposal of assets	15,998	273,659	15,998	273,659
Other income	105,527	119,610	105,527	119,610
Total	<u>121,525</u>	<u>393,269</u>	<u>2,005,149</u>	<u>2,754,175</u>

21. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Changes in raw material, work in process and finished goods	(55,773,560)	25,968,582	(53,532,897)	25,711,548
Purchase raw material	372,023,630	410,525,455	337,375,736	364,691,388
Promotion expenses	9,749,933	11,606,256	9,749,933	11,606,256
Transportation expenses	2,754,599	3,698,305	2,714,769	3,580,624
Depreciation and amortization	11,415,425	11,062,039	10,890,483	10,520,282
Staff costs	58,577,462	65,907,558	56,654,394	63,926,472

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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22. BUSINESS SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group engaged in a business of formulating and distributing of pesticide. The Group operates in one geographical area in Thailand. Therefore, these financial statements present the financial information by segment.

Timing of revenue recognition is recognized at a point in time.

Information about significant customers

In the years 2025 and 2024, the Group did not have any revenue from any customer that amounted to or exceeded 10% of the entity's total revenue.

23. EMPLOYEE'S PROVIDENT FUND

The Company established a contributory registered provident fund in accordance with the provident fund Act, B.E.2530. The provident fund plan was registered on 29 May 1996.

Under the plan, the employees contribute monthly the amounts equivalent 5% of their basic salaries. The Company contributes at the rates of 5% of the employees basic salaries. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulation No.2 (B.E. 2532) issued under the Provident fund Act. B.E. 2530. The Company's contributions charged to expenses for the years ended 31 December 2025 and 2024 amounted to Baht 2.05 million and Baht 2.06 million, respectively

24. TAX EXPENSES

Tax expenses for the years ended 31 December 2025 and 2024 are made up as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Current income tax:				
Corporate income tax for the period	15,285,125	20,430,812	14,724,009	19,481,390
Deferred tax:				
Relating to origination and reversal of temporary differences	(152,089)	539,833	(152,089)	539,833
Total	<u>15,133,036</u>	<u>20,970,645</u>	<u>14,571,920</u>	<u>20,021,223</u>
Income tax recognised in other comprehensive income that will not be reclassified to profit or loss in the future				
Gain from measurement of investments in the fair value of equity instruments	(306,894)	(1,913,932)	(306,894)	(1,913,932)
Actuarial gain	(418,231)	(153,211)	(418,231)	(153,211)
Total	<u>(725,125)</u>	<u>(2,067,143)</u>	<u>(725,125)</u>	<u>(2,067,143)</u>

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Reconciliation of effective tax rate

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Profit before income tax	80,016,966	106,918,841	79,218,686	105,856,032
Income tax using the Thai corporation tax rate (rate : 20%)	16,003,393	21,383,768	15,843,737	21,171,206
Income not subject to tax	(1,160,798)	(1,056,217)	(1,560,798)	(1,786,217)
Additional expense deductions allowed	(329,412)	(675,794)	(329,412)	(675,794)
Non-deductible expenses	770,482	778,620	770,482	772,195
Eliminated	1,460	435	-	-
Current income tax	15,285,125	20,430,812	14,724,009	19,481,390
Relating to temporary differences	(152,089)	539,833	(152,089)	539,833
Income tax expenses reported in the statement of comprehensive income	15,133,036	20,970,645	14,571,920	20,021,223

Deferred tax assets in the statements of financial position as at 31 December 2025 and 2024 are summarised below.

	In Baht	
	Consolidated and Separate	
	financial statements	
	2025	2024
Statements of financial position		
Deferred tax assets		
Provisions for employee benefit obligations	5,683,427	5,280,544
Change in fair value of equity instruments	5,907,118	5,600,224
Deferred tax liabilities		
Change in fair value of unit trusts in open-ended funds	-	(167,437)
Deferred tax assets - net	11,590,545	10,713,331

25. FOREIGN CURRENCY RISK

25.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, trade and other payables, short-term loans, and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

Trade and other receivables

The Group's exposed to credit risk. However, due to the large number and diversity of the entities comprising the Group's customer base, The Group's does not anticipate material losses from its debt collection. The Group's estimated the allowance for doubtful accounts from the ending balance of accounts receivable. The estimate was made by considering the customer's past collection experiences. An impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Group's policy.

PATO CHEMICAL INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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FOR THE YEAR ENDED 31 DECEMBER 2025

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate risk through a counterparty's potential failure to make payments.

Interest rate risk

The Group's exposure to interest rate risk relate primarily to their deposits at bank, short-term loans and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. Therefore, the Group does not use derivative financial instruments to hedge such risk.

Interest rate sensitivity analysis

There is no significant impact on the Group's profit before tax arising from the change in the interest rate of financial assets and short-term loans with interest rates fluctuating according to market rates

Foreign currency risk

The Group exposures to foreign currency risk relates primarily to their business transactions which are denominated in USD and JPY. The Group has policies to hedge such risks by using derivative financial instruments. The Group primarily utilizes forward exchange contracts to hedge exchange rate risk relating to the repayment all of the trust receipts and accounts payable foreign as appropriate.

As at 31 December 2025, the Group has no foreign currency liabilities, which did not enter into foreign exchange hedging contracts as follows:

As at 31 December 2024, the Group has foreign currency liabilities, which did not enter into foreign exchange hedging contracts as follows:

	<u>Currency</u>	<u>Amount</u>	<u>Exchange rate</u>
			(Baht per 1 foreign currency unit)
Trust Receipts	US Dollar	898,210	34.1461
Trade Account payable	US Dollar	349,666	34.1461
Trade Account payable	Japanese Yen	37,152,000	0.21888

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity of the Company's profit before tax to a reasonably possible change in US dollar and Japanese Yen exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary liabilities as at 31 December 2025 and 2024.

<u>Foreign Currency</u>	<u>Increase / decrease</u>	<u>Effect on profit before tax</u>	
	(%)	(Million Baht)	
		<u>2025</u>	<u>2024</u>
US Dollar	+5	-	2.13
	- 5	-	(2.13)
Japanese Yen	+5	-	0.41
	- 5	-	(0.41)

This information is not a forecast or prediction of future market conditions and should be used with care.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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Liquidity risk

The Group's monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations including providing short-term credit lines from various banks to back up if necessary and to mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2025 and 2024 based on un discounted contractual cash flows to present value. It can be represented as follows:

	(Unit : Baht)			
	Consolidated financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
At 31 December 2025				
Trade and other current payables	28,727,073	-	-	28,727,073
At 31 December 2024				
Short-term loans from financial institutions	30,670,368	-	-	30,670,368
Trade and other current payables	63,357,245	-	-	63,357,245
Total financial liabilities	94,027,613	-	-	94,027,613
	Separate financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
	Less than 1 year	1 to 5 years	> 5 years	Total
At 31 December 2025				
Trade and other current payables	26,112,034	-	-	26,112,034
At 31 December 2024				
Short-term loans from financial institutions	30,670,368	-	-	30,670,368
Trade and other current payables	59,145,454	-	-	59,145,454
Total financial liabilities	89,815,822	-	-	89,815,822

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

In applying the above-mentioned valuation techniques, the company endeavor to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorising such inputs into three levels as follows.

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3 - Use of unobservable inputs such as estimates of future cash flows.

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As at 31 December 2025 and 2024, the Group's has the assets measured at fair value using different levels of inputs as follows:

	In Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
As at 31 December 2025				
Assets measured at fair value				
Investments in debt securities				
measured at FVTPL	-	149,516,107	-	149,516,107
Investments in equity measured at FVOCI	33,067,417	-	-	33,067,417
As at 31 December 2024				
Assets measured at fair value				
Investments in debt securities				
measured at FVTPL	-	208,121,761	-	208,121,761
Investments in equity measured at FVOCI	34,132,061	-	-	34,132,061
	In Baht			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
As at 31 December 2025				
Assets measured at fair value				
Investments in debt securities				
measured at FVTPL	-	149,495,001	-	149,495,001
Investments in equity measured at FVOCI	33,067,417	-	-	33,067,417
As at 31 December 2024				
Assets measured at fair value				
Investments in debt securities				
measured at FVTPL	-	208,100,996	-	208,100,996
Investments in equity measured at FVOCI	34,132,061	-	-	34,132,061

During the current year, there was no change in method and assumption using in estimate the fair value of financial instruments and no transfer within the fair value hierarchy.

27. COMMITMENT AND CONTINGENT LIABILITIES

As at 31 December 2025, the Company had outstanding obligation and contingent liabilities as follows:

27.1 The Company has contingent liabilities from letters of guarantee issued by banks for the payment of electricity amounting to Baht 294,500.

27.2 The Group has obligations to the purchase of raw materials and packaging amounting of Baht 26.47 million.

28. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2025, debt to equity ratio in the consolidated financial statements is 0.14:1 (2024 : 0.27:1) and the separate financial statements is 0.13:1 (2024 : 0.26:1)

29. EVENT AFTER THE REPORTING YEAR

On 27 February 2026, in accordance with the resolution of the Board of Directors Meeting No.1/2026, it was resolved to approve the payment of dividends to shareholders at the rate of Baht 0.45 per share for 142.4 million shares in the amount to Baht 64.07 million, paid from net profit as at 31 December 2025.

Such resolution will be proposed to the annual general meeting of shareholders for the year 2026 for further approval.

30. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on 27 February 2026.





Board of Directors and Management Team



Company Name	Company	Subsidiary Company	Affiliated Company	Related Companies	
Name		1	None	1	2
1. Mr.Metha Trillit	○ □ M	○ □ M			○ □
2. Dr.Viwat Trillit	□ M R	□			
3. Mr.Surachai Choengwiwatkit	●	●			
4. Mr.Suvit Wesarachawest	●	●			●
5. Mrs.Wantana Pojanalai	●	●		□	□
6. Ms.Ratchanee Trillit	●	●			
7. Ms.Charina Pojanalai	●	●		□	
8. Dr.Nuansri Tayaputh	I	I			
9. Ms.Arpapachara Siriphunvaraporn	I A R	I A			
10. Mr.Chaiwat Chandarasrivongs	I A R	I A			
11. Mr.Sahai Supsoontornkul	I A R	I A			
12. Mr. Visut Vanitcharoenkarn	M R	M			
13. Mr. Sayan Wanaree	M R	M			
14. Mrs. Parichart Manuthasna	M © R	M			
15. Mr. Wongtawan Duchanee	M	M			
16. Mr. Thanut Topanurak	M	M			



Remark: 1) Company = Pato Chemical Industry Plc.
 Subsidiary Company = Pato Crop Care Co.,Ltd.
 Related Company 1 = Asia Mineral Industry Co., Ltd.
 2 = Kentex Properties Co., Ltd.

2) ○ = President
 □ = Executive Director
 ● = Director
 I = Independent Director


A = Audit Committee
 R = Risk Committee
 M = Manager
 © = Company Secretary


Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Mr. Metha Trillit 	88	DAP 36/2005 from IOD B. Sc. in Chemical Engineering, Tunghai University, Taiwan	21,000,000 Shares and Mrs. Vipanee Trillit 2,600,000 shares represents 16.58% No change during the year	Father of Dr. Viwat and Ms. Ratchanee Trillit	2011 - Present	Chairman / President Signatory Director	Company Limited Pato Crop Care Co., Ltd.
					1983 - Present	Chairman / President Signatory Director	Kentex Properties Co., Ltd.
					2024 - Present	Chairman / Chief Operation Officer/Signatory Director	Listed Company Pato Chemical Industry Plc.
					1973 - 2024	Chairman/President Signatory Director	Pato Chemical Industry Plc.
					2016 - Present	Acting Factory Manager	Pato Chemical Industry Plc. Directorship : 52 Years
Dr. Viwat Trillit 	57	DAP 2004 from IOD ELP 3/2016 The Journey of Family Business 2018 “Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023	15,000,000 Shares represents 10.54% No change during the year	Mr. Metha Trillit's Son Ms. Ratchanee Trillit's Brother	2011 - Present	Managing Director	Company Limited Pato Chemical Industry Plc.
					2024 - Present	Chief Executive Officer/ Signatory	Listed Company Pato Chemical Industry Plc.
					2004 - 2024	Managing Director / Signatory	Pato Chemical Industry Plc.
					2014 - Present	Chairman of Risk Committee	Pato Chemical Industry Plc.


Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
		DBA International Business Alliant International University, USA MBA., Rutgers University, USA B. Sc. in Chemical Engineering, University of Rochester, USA			1988 - 2004	Director / Vice President	Pato Chemical Industry Plc. Directorship : 37 Years
Mr. Surachai Choengwiwatkit 	77	DAP 36/2005 from IOD Secondary School (M.S. 3)	3,471,350 Shares represents 2.44% No change during the year	None	2011 - Present 1990 - Present 1973 - Present 1973 - Present	Director Managing Director Managing Director Director	Company Limited Pato Crop Care Co., Ltd. Senta Quilting Ltd. Part. Tang Jin Yoo Shop Listed Company Pato Chemical Industry Plc. Directorship : 52 Years
Mr. Suvit Wesaratchawest 	74	DAP 2019 from IOD “Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023 Mini MBA, Thammasart University	2,194,000 Shares represents 1.54% No change during the year	None	2011 - Present 1995 - Present 1983 - Present 1992 - Present	Signatory Director Director Director Signatory Director	Company Limited Pato Crop Care Co., Ltd. Sahawat Enterprise Co., Ltd. Kentex Properties Co., Ltd. Listed Company Pato Chemical Industry Plc. Directorship : 33 Years


Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Mrs. Wantana Pojanalai 	72	DAP 36/2005 from IOD “Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023 Diploma, Silom Panichayakarn College	7,000,000 Shares represents 4.92% No change during the year	None	2011 - Present 1983 - Present 1983 - Present 2005 - Present	Signatory Director Executive Director Executive Director Signatory Director	Company Limited Pato Crop Care Co., Ltd. Asia Mineral Processing Co., Ltd Kentex Property Co., Ltd. Listed Company Pato Crop Care Co., Ltd. Directorship : 21 Years
Ms. Ratchanee Trillit 	54	DAP 36/2005 from IOD “Prevention and Suppression of Inappropriate Behavior of Listed Companies” SET 2024 “Strengthening Good Corporate Governance by Audit Committee & Independent Director: Experience from Fraud cases” 2021 “Inclusive Leadership Means Better Business” 2022 Master of Arts in Philosophy, The Graduate Faculty of Political and Social Science, New School University, New York, USA Certificate in English Language Teaching (ELT), Department of English Language Studies, New School University, USA Bachelor of Arts in Sociology, The New School for Social Science, New School University, USA	11,500,000 Shares represents 8.08% No change during the year	Mr. Metha Trillit's Daughter and Dr. Viwat Trillit's Sister	2011 - Present 2002 - 2011 2009 - 2013 2014 - Present 2004 - Present	Director Special Instructor Special Instructor Special Instructor Director	Company Limited Pato Crop Care Co., Ltd. Faculty of Social Science/ Department of Sociology Srinakharin Wirot University Faculty of Economics/ International College, Thammasat University Faculty of Social Science/ Mahidol University International College Listed Company Pato Chemical Industry Plc. Directorship : 22 Years



Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Ms. Charina Pojanalai 	51	“Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023 Bachelor of Science Program in Statistics, King Mongkut’s Institute of Technology Ladkrabang MBA Mercer University, Atlanta, Georgia, USA	2,000,000 Share represents 1.40% No Change during the year	Daughter of Mrs. Wantana Pojanalai	2022 - Present 2009 - Present 2007 - Present 2008 - 2009 2004 - 2008 2001 - 2004 2022 – Present	Director Sales and Marketing Director Director Assistant Manager - Acquisition MIS / Analysis and Process Management Information System Manager Account Manager Director	Company Limited Pato Crop Care Co., Ltd. Asia Mineral Processing Co., Ltd Asia Mineral Processing Co., Ltd American Express (Thai) Co.,Ltd. Thailand Privilege Card Co., Ltd. (Thailand Elite) NCR (Thailand) LTD Listed Company Pato Crop Care Co., Ltd. Directorship : 4 Years
Mr. Chaiwat Chandarasrivongs 	89	DAP 36/2005 from IOD Audit Committee Program of IOD “Prevention and Suppression of Inappropriate Behavior of Listed Companies” SET 2024 “Empowering Boards: Enhancing Governance, Standards, and Financial Insights” IOD	- Share No change during the year	None	2011 - Present 2002 - 2003 2001 - 2002 1995 - 1996	Director Advisor Advisor Inspector General	Company Limited Pato Crop Care Co., Ltd. Minister of Education Ministry Mr. Pongphol Adireksarn Minister to the Office of the Prime Minister (Prof. Dr. Krasae Chanawongse) Ministry of Agriculture and Co - operative


Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
		M. Sc. in Plant Pathology & Mycology, University of London D.I.C. Imperial College B. Sc. In Botany, Chulalongkorn University			2014 - Present 1997 - Present 1993 - Present	Risk Committee Audit Committee Independent Director	Company Limited Pato Chemical Industry Plc. Pato Chemical Industry Plc. Pato Chemical Industry Plc. Independent Director : 33 Years
Mr. Sahai Supsoontornkul 	85	DAP and DCP from IOD “Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023 Bachelor of Law Thammasart University Thai Barrister Bar Association Certificate Royal Thai Army War College Certificate National Defense College NDC class 368 Certificate Executive Leadership Program National Institute of Development Administration (NIDA)	- Share No change during the year	None	2011 - Present Present 1994 - 2000 2000 - 2004 2003 - 2007 2024 - Present 2024 - Present 2009 - Present	Director Vice President Deputy Attorney-General Committee of the Council of State (Committee7) President Risk Committee Audit Committee Independent Director	Company Limited Pato Crop Care Co., Ltd. Tapee College, Suratthani Office of the Attorney - General Listed Company Shun Thai Rubber Gloves Industry Plc. Pato Chemical Industry Plc. Pato Chemical Industry Plc. Pato Chemical Industry Plc. Independent Director : 17 Years

Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Ms. Arpachara Siriphanwaraporn 	57	Bachelor's degree in Business Administration, Accounting Department, Ramkhamhaeng University Executive Mini MBA Business Administration, National Institute of Development Administration Company Secretary Program (67/2015) IOD DAP (116/2015) IOD DCP (355/2024) IOD Internal Audit in Disruptive Technology Dharmniti Seminar and Training Co., Ltd. Audit of Accounting and Financial Transactions to Prevent Corruption in the Organization, Dharmniti Seminar and Training Co., Ltd. Internal Control of Financial Reports by J-SOX for Maximum Benefit of the Organization, Dharmniti Seminar and Training Co., Ltd. "Leading Beyond Questions The Board's Adaptive Leadership in Driving Organizational Change" IOD 2025	- Share No change during the year	None	2023 - Present	Director	Company Limited Pato Crop Care Co., Ltd.
					2011 - Present	Senior Deputy Managing Director Accounting and Finance	PAP Gas One Co., Ltd.
					2023 - Present	Independent Director	Listed company Pato Chemical Industry Plc.
					2023 - Present	Risk Committee	Pato Chemical Industry Plc.
					2023 - Present	Chairman of Audit Committee	Pato Chemical Industry Plc. Independent Directorship: 3 years

Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
		2568 - “Leading Beyond Questions The Board’s Adaptive Leadership in Driving Organizational Change” IOD					
Dr. Nuansri Tayaputch 	82	Doctorate degree - Agricultural Chemistry Tokyo University of Agriculture, Japan Master’s Degree Environmental Toxicology, Nort Carolina State University, USA Bachelor’s degree - Pharmacy Chulalongkorn University	- Share No change during the year	None	2000 - 2023	Chairman of Subcommittee	Company Limited Committee for Screening the Toxicity and Danger of Hazardous Substances (MIND)
					2014 - 2022	Technical Committee	
					2004 - 2017	Technical Advisor	Central Laboratory, Thailand
					1992 - 2017	Eminent Person	Hazardous Substance Committee (MIND)
					1998-2012	Chairman of the Experts	The Experts Working Group on the Harmonization of Maximum Residue Limits (EWG-MRLs) of Pesticides among ASEAN Countries
					2003	Director	Agricultural Production Sciences Research and Development Division (Department of Agriculture)
					2025 - Present	Independent Director	Listed Company Pato Chemical Industry Plc. Independent Directorship: 1 year

Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Mr. Visut Vanijcharoenkarn 	65	M.B.A in Finance, Bangkok University Bachelor in Accounting, Ramkhamhaeng University “Employee Wellbeing and Motivation after Crisis” IOD “Enhancing Sustainability Disclosure in Accordance with ISSB Standards” SEC “Financial Reporting Standards on Sustainability Disclosure: IFRS S1 / IFRS S2” SEC “e-Learning CFO’s Refresher Course (Thai Language) (Special Session) 2025” SET “Tax Law Updates with a Review of Tax Incentives Before Tax Filing 2025” Dharmniti Seminar and Training Co., Ltd.	- Share No change during the year	None	2017 - Present	Chief Financial Officer	Pato Chemical Industry Plc.
					2014 - Present	Risk Committee	Pato Chemical Industry Plc.
					1987 - 2016	Accounting Manager	Pato Chemical Industry Plc.
Mr. Sayan Wan-Aree 	58	B. Sc. Faculty of Education-Agriculture, Kasetsart University “Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023	- Share No change during the year	None	2016 - Present	Marketing Manager Acting Research and Development Manager Risk Committee	Pato Chemical Industry Plc.
					2007 - 2015	Sales Manager	Pato Chemical Industry Plc.
					1997 - 2007	Sales Representative	Pato Chemical Industry Plc.

Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Mr. Thanut Topanurak 	38	Master of Science IBM, University of Bedfordshire, UK B.B.A. (Management) Kasetsart University “Advanced Technical Occupational Safety Officer Training and Certification” DLPW 2018 “Basic Firefighting Course - Batch 1” Parknam Municipality, Samutprakarn “Fire Evacuation Drill” Parknam Municipality, Samutprakarn “Occupational and Environmental Diseases ” Safety Officer, Pato Chemical Industry Plc.	- Share No change during the year	None	2025 - Present	Factory Manager	Pato Chemical Industry Plc.
					2022 - 2024	Deputy Factory Manager	Pato Chemical Industry Plc.
					2016 - 2022	Assistant Factory Manager	Pato Chemical Industry Plc.
					2015 - 2016	Assistant Company Secretary	Pato Chemical Industry Plc.
Mr. Wongtawan Duchanee 	56	B Sc. Faculty of Animal Science, King Mongkut's Institute of Technology Lat Krabang “Knowledge about Corruption Prevention, Conflicts of Interest and Promoting Cultural Integrity, Morality, and Ethics” NACC Thailand 2023	- Share No change during the year	None	2016 - Present	Product Manager- Repacking Business	Pato Chemical Industry Plc.
					1993 - 2015	Business Sales Representative	Pato Chemical Industry Plc.

Name	Age	Education	Percentage of Shares	Relation Between Management	5 Years Experiences		
					Duration	Position	Company/Type of Business
Mrs. Parichart Manuthasna 	65	M.B.A.	300,370 Shares represents 0.21% No change during the year	None	2014 - Present	Risk Committee	Pato Chemical Industry Plc.
		Sukhothai Thammathirat			2007 - Present	Company Secretary	Pato Chemical Industry Plc.
		Open University			1987 - Present	Office Manager	Pato Chemical Industry Plc.
		B.A. Faculty of Arts					
		Chulalongkorn University					
		Corporate Secretary Development					
		Program 8 Th Faculty of Commerce and					
		Accountancy, Chulalongkorn University					
		“Employee Wellbeing and Motivation after Crisis” IOD					
		“Disclosing Information through the SETLink System No. 1/2025 and 2/2025” SET					
		“Board Meeting Management” SET					
		“Preparation of the e-One Report to Annual Report” SET					
		“Preparation of the Stakeholder Report and Internal Information Usage Policy” SET					
		“Intensive Preparation for a Full Score” TIA					
		“Revolutionizing Internal Controls with AI: Enhancing Protection for Businesses” SET					

Prominent Directors and Independent Directors

Independent directors of 4 persons, namely Mr. Chaiwat Chandarasrivongs, Mr. Sahai Supsoontornkul Ms. Arpachara Siriphanwaraporn and Dr. Nuansri Tayaputch are neither the company's executive nor employee who receives salary from the company or its group. They are independent from major shareholders and are well capable to protect the benefits of minority shareholders. They are not current shareholders of the company.

Qualifications of the Management

Pato Chemical Industry Plc. verifies that all of its directors and executives are well qualified by the Public Company Act clause 68, Securities Act clause 89/6, and the announcement of Capital Market Supervisory Board Notification No. Tor Jor 24/2009 regarding directors and executive officers of the issuing company clause 3.

Records of Unlawful Conduct

During the past 10 years prior to the submission of approval, all of the company's directors and executives has no criminal records of insolvent or unlawful conduct related to assets or misconduct according Stock Exchange of Thailand Act B E 2535. There are not currently having any lawsuits pursuing in court.

Loans between the company and its management or affiliated companies

None



Information about Chief of Internal Audit

Name: Navaporn Pohthai

Qualifications

Miss Navaporn has knowledge, expertise and experiences including consulting services on the review and design of financial accounting, cost accounting, internal auditing and operating systems, both manual and package software. In addition, her experiences also include giving advices for computer software development for offices; providing advices and training for operators and users of computer software; preparing the report on the demand of computer software for financial and banking system; and giving advices on ISO 9000 quality management system including auditing in industrial, retail, and service businesses, as well as financial institutions and state enterprises.

Experiences

Year	Name	Position	Details
2009 - Present	Pato Chemical Industry Public Company Limited	Internal Auditor	Internal control system review to present to the company's auditing committee
2013	The Association of Thai Securities Companies	Project Consultant	Design and install ERP and SAP Business One software
2012	Lamination (Thailand) Co., Ltd.	Project Consultant	Design and install ERP and SAP Business One software
2012	Nippon Steel Galvanizing (Thailand) Co., Ltd.	Project Manager	Design and install ERP and SAP Business One software
2010	Don Muang Tollway Public Company Limited	Project Manager	Design and install ERP and SAP Business One software
2009	Kiatnakin Bank Public Company Limited	Consultant	Consultant for preparing program for purchasing and crediting
2009	Nathalin Group	Chief Consultant	Preparing working manual for 4 groups - personnel management, inventory, safety and maintenance
2009	Nanmeebooks Co., Ltd.	Consultant	Design working process for financial accounting system
2007	Thailand Tobacco Monopoly	Chief Consultant	Design cost accounting system for Thailand Tobacco Monopoly

Year	Name	Position	Details
2007	Nanmee Co., Ltd.	Consultant	Design working process for financial accounting system
2007	Mappoint Co., Ltd.	Co consultant	Review project management process

Review services for internal control system from 1991 – 2007

- Eternity Transport 2002 Co., Ltd. (Company) – Evaluating the internal control system in order to be listed on the Stock Exchange of Thailand
- City Steel Public Company Limited – Reviewing internal control system and designing internal audit system
- The Mae Fah Luang Foundation – Doi Tung Development Project
 - ✓ Reviewing and designing internal control system and operational process
 - ✓ Reviewing and designing cost accounting system
 - ✓ Preparing financial statement and financial report system for the management
- The Electricity Generating Authority of Thailand (EGAT)
 - Evaluating EGAT in accordance with Good State Enterprise Project, including the study and development of target and variable of operational evaluation
- Provincial Electricity Authority (PEA)
 - Designing internal control system for construction and maintenance unit
- Aromatics (Thailand) Public Company Limited
 - Designing, developing and operating trial on internal audit system
- Amarin Printing and Publishing Public Company Limited
 - Reviewing, giving advices on purchasing process, stock and distribution system and implementing computer software for the working system
- S.C. Standard Co., Ltd.
 - Reviewing and giving advices on working system development

Designing services for accounting and operating system from 1991 – 2007

- Dusit Thani Hotel
 - Designing revenue, debtor, budget and accounting system
- Bangkok Metropolitan Administration
 - Designing computer software for 6 working systems – revenue, budget, finance, accounting,

personnel and payroll

- The Chulalongkorn University Book Center
 - Designing working process and accounting system for implementation and guidelines for booksystem program development
- Navanakorn Co., Ltd.
 - Developing and designing working steps and process for revenue and purchasing
- Thai Industrial Standards Institute
 - Consulting and training services for ISO 9000 quality management system for small businesses
- The Communications Authority of Thailand
 - Developing and designing financial accounting system in details on computer software for telecommunications business
- General Engineering Public Company Limited:
 - Platinum Developing and designing financial and cost accounting system for concrete product manufacturing business on Platinum program
- SSUP (1991) Co., Ltd.:
 - Developing and designing financial accounting system on Platinum program
- Thai Carbon Product Co., Ltd.:
 - Developing and designing financial accounting system on Platinum program
- LPN Plate Mill Co., Ltd.:
 - Developing and designing financial accounting system
- Country (Thailand) Public Company Limited:
 - Developing and designing financial accounting system
- Thai Melon Textile Co., Ltd.:
 - Developing and designing financial accounting system on Platinum program
- Srinakorn Karnyotha Public Company Limited:
 - Developing and designing financial accounting system on Platinum program

Education

Year	Degree / Certificate	Educational Institution
2004	Certificate for Taxation Course	University of the Thai Chamber of Commerce
2000 - 2002	Master of Accountancy	Kasetsart University
1987 - 1990	Bachelor of Accountancy	Thammasat University
1996 - Present	Certified Public Accountant (Thailand)	



Experiences

Year	Position	Company
Present	Consulting Director	Kernel Consulting Co., Ltd.
2007 - 2010	Independent Consultant	-
2005 - 2006	Senior Manager	BT Business Consulting Co., Ltd.
2004	Manager	KPMG Phoomchai Business Advisory Ltd.
2001 - 2004	Manager	Arthur Andersen Consulting Co., Ltd.
1997 - 2000	Assistant Manager	SGV Na Thalang Co., Ltd.
1991 - 1996	Consultant	SGV Na Thalang Co., Ltd.





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