

Subject Management Discussion and Analysis for the first quarter of the year 2026

To Directors and Managers
The Stock Exchange of Thailand

Nutrition SC Public Company Limited and its subsidiaries would like to clarify the financial performance and financial information for the first quarter of the year 2026 with the following details:

Business Overview

The main business of the company's group is to import, manufacture and sale of Food / Food additives and ingredients in order to be used as raw materials or ingredients in customers' recipes. The business can be classified into two segments as follows.

- 1) Food ingredients business and
- 2) Feed ingredients business.

The customers are domestic customers, which can be divided into sales in the food and animal feed industry, approximately 90-95% of sales revenue, and to ODM and OEM customers, approximately 5-10% of sales revenue during 2022 to 2026.

Nutrition SC Public Company Limited or "NTSC" and its subsidiaries ("NTSC group") issued additional shares were issued to sell common shares to the general public on the 1st quarter of 2023. As a result, the financial statement information has differences when compared with the previous year, which include the operating results and related expenses.

On April 28 2025, the Annual General Meeting of the Company's shareholders approved to increase the Company's registered shared capital from 50,000,000 Baht to 66,000,000 Baht by issuing 32,000,000 shares with a par value of 0.50 Baht per share to support the stock dividend payment of 32,000,000 ordinary shares.

On July 2, 2025, the Extraordinary General Meeting of Shareholders No. 1/2025 resolved to approve an additional increase in the Company's registered capital in the amount of 666,508 Baht by issuing 1,333,016 newly issued ordinary shares with a par value of 0.50 Baht per share. The capital increase was made to accommodate the shortfall in the stock dividend allocation. As a result, the Company's current registered capital is 66,666,508 Baht, divided into 33,333,016 ordinary shares with a par value of 0.50 Baht per share.

Subsequently, on 17 December 2025, the Board of Directors' Meeting No. 7/2025 resolved to approve the acquisition of assets to support the Company's capacity expansion plan and future growth. The investment comprises the construction of a new manufacturing facility for human and animal, with a total investment value of approximately 217.8 Million Baht. The investment aims to enhance production capacity and operational flexibility, elevate production standards and efficiency in line with industry trends, and strengthen the Company's competitive capabilities, thereby supporting their sustainable and long-term growth.

For the first quarter of the year 2026, the Company recorded total revenue of 294.3 Million Baht, representing a decrease of 19.8 Million Baht or 6.3% compared to the same period of the previous year. For the first quarter of 2026, the Company reported total sales revenue of 294.3 Million Baht, representing a decrease of 19.8 Million Baht or 6.3% compared to 2025. This decline was primarily due to external factors beyond the Company's control, particularly the geopolitical tensions arising from the conflict between the United States and Iran in the Middle East. Such circumstances have had a broad impact on overall production costs, driven by increases in energy prices, raw material costs, and transportation expenses. As a result, many of the Company's customers significantly reduced or delayed their production volumes, leading to lower purchasing demand for the Company's products. This contrasts with the first quarter of 2025, in which the Company experienced a positive impact on sales following the announcement of potential tariff increases by the U.S. government. Thus, many manufacturers accelerated the purchasing volume in order to maximize production and exported to the United States before the tariff increased.

In response to the challenges posed by the ongoing geopolitical situation, the Company has taken proactive measures by closely collaborating with both suppliers and customers to strategically plan procurement and sales across multiple dimensions. These efforts aim to ensure product availability and timely delivery in line with customer requirements, thereby minimizing potential revenue loss. In addition, the Company continues to focus on expanding its OEM business, which remains a key strategic pillar for long-term sustainability and revenue growth. This strategy has been continuously implemented across both human food and animal feed industries, with positive momentum. The Company has received encouraging feedbacks from both existing and new customers, reinforcing its position as a reliable and specialized manufacturer within the food and animal feed sectors.

From an internal management perspective, the Company places strong emphasis on building a flexible and agile management system. Strategic plans are regularly reviewed to ensure alignment with the rapidly changing business environment. Monthly performance evaluations, cost control measures, risk management practices, and efficient resource utilization have all contributed to the Company's ability to achieve consistent growth and adapt effectively to evolving circumstances.

Overall, the performance in this year reflects the strength of the Company's business structure, adaptability, and potential for future expansion. The Company remains committed to pursuing new opportunities through innovation, product development, and market expansion, in order to meet the evolving needs of consumers and deliver long-term value to all stakeholders.

In the context of international business operations, quality and safety standards have become strategic imperatives. The Company has obtained internationally recognized certifications, including ISO 9001:2015, FSSC 22000, GMP, HACCP, GHP, and ISO 14064-1:2018, reflecting its strong commitment to quality-driven and sustainable operations. These certifications serve to mitigate operational risks and represent a competitive advantage

in trade negotiations, while also reinforcing trust and credibility among both domestic and international business partners.

In addition to focusing on business performance, the Company places significant importance on sustainable development across all dimensions. The Company has continuously and concretely implemented environmental, social, and governance (ESG) initiatives to strengthen its long-term organizational resilience and create shared value for all stakeholders.

Furthermore, the Company remains committed to enhancing its operations in alignment with relevant international standards, including the Sedex Members Ethical Trade Audit (SMETA), in order to improve supply chain management efficiency, reinforce confidence among trading partners and customers, and support the Company's sustainable growth in the long term.

Environment

The Company continues to place importance on environmental management in line with its sustainable development approach. Although no new environmental projects were completed during the first quarter of 2026, the Company remains committed to studying, planning, and monitoring ongoing environmental initiatives in order to enhance resource efficiency, minimize environmental impacts, and support the organization's ESG objectives. Key developments are summarized as follows:

- **Solar Cell Installation Project**

The Company plans to further expand Solar Cell system installations within its subsidiaries to increase the proportion of clean energy consumption and improve energy management efficiency across the organization.

- **Study on the Adoption of Electric Vehicles**

- The Company is currently evaluating the feasibility and suitability of adopting electric delivery vehicles and electric forklifts in its operations to support the reduction of fossil fuel consumption and long-term greenhouse gas emissions.

- **Environmental Data Collection and Monitoring**

- The Company continues to collect and monitor environmental data on an ongoing basis, covering key areas including electricity management, fuel and energy consumption, renewable and clean energy usage, water resource and water quality management, waste management, greenhouse gas management and climate change, air quality management, and noise pollution control. Such data will support the establishment of targets, the improvement of operational approaches, and the continuous enhancement of the Company's environmental performance in the future.

Social

The Company is committed to achieving business growth alongside creating value for employees, communities, and all stakeholder groups. During the first quarter of 2026, the Company continued to enhance employee capabilities through various training programs covering professional skills development, specialized knowledge

enhancement, and the promotion of understanding in sustainable development (ESG), including assessment criteria under the FTSE Russell framework. These initiatives are intended to strengthen the Company's readiness to elevate its business practices in alignment with global investment trends and stakeholder expectations.

In addition, the Company places significant importance on labor management and employees' quality of work life. On 31 March 2026, the Company was officially listed as an establishment that complies with the Thai Labour Standard (TLS 8001-2563) at the basic level under registration No. SDBL.335/2569. This recognition reflects the Company's commitment to conducting business responsibly and upholding labor rights in accordance with good governance principles.

The Company also plans to continuously improve its labor management systems and working environment. This forms part of the Company's long-term sustainability strategy and supports balanced and quality business growth across all dimensions.

Governance

The Company is committed to conducting its business in accordance with the principles of good corporate governance, with emphasis on transparency, accountability, and effective risk management in order to strengthen confidence among shareholders, investors, and all stakeholder groups.

The Company received a "4-Star" (Very Good) rating in the 2025 Corporate Governance Report of Thai Listed Companies (CGR) assessment conducted by the Thai Institute of Directors Association (IOD), reflecting the Company's strong corporate governance standards. For 2026, the Company is currently undergoing the assessment process, which is expected to be completed by June 2026.

In addition, the Company continues to implement its Whistleblowing Policy on an ongoing basis, while comprehensively monitoring and assessing risks across various areas, including Operational risks, Financial risks, Regulatory and Compliance risks, Information Technology and Cybersecurity risks, Emerging risks and ESG risks. These efforts are aimed at supporting the Company's ability to adapt to business changes and achieve sustainable long-term growth.

Overall, the Company's commitment to ESG practices not only reflects its responsibility toward society and environment. NTSC group also serves as a key mechanism for fostering strong and sustainable relationships with communities. These efforts contribute to enhancing the Company's reputation as a responsible organization, while driving stable and sustainable business growth in the long term.

Revenue Structure

NTSC group revenue structure derived from the business of manufacture and distribution of raw materials used as Food Ingredients by dividing into 2 types:

- 1) Food ingredients business
- 2) Feed ingredients business

Revenue from sales separated by main product segment for the company and its subsidiaries for the first quarter of the year 2026

Unit : Million Baht

Revenue structure	For the period ended 31 March		Change	
	2026	2025	Amount	%
Food ingredients	251.8	270.0	(18.2)	(6.7)
Feed ingredients	42.5	44.1	(1.6)	(3.6)
Total	294.3	314.1	(19.8)	(6.3)

Analysis of operating results

Unit : Million Baht

Profit or (Loss)	For the period ended 31 March		Change	
	2026	2025	Amount	%
Revenue from sales	294.3	314.1	(19.8)	(6.3)
Cost of good sold	(222.7)	(241.2)	18.5	(7.7)
Gross profit	71.6	72.9	(1.3)	(1.8)
Other income	0.2	0.2	-	-
Finance income	0.6	1.0	(0.4)	(40.0)
Selling expenses	(11.8)	(12.9)	1.1	(8.5)
Administrative expenses	(21.5)	(22.7)	1.2	(5.3)
Other loss	1.8	(0.8)	2.6	(325.0)
Finance costs	(0.9)	(0.9)	-	-
Profit before income tax expenses	40.0	36.8	3.2	8.7
Income tax expenses	(8.1)	(9.1)	1.0	(11.0)
Profit for the year	31.9	27.7	4.2	15.2
Non-controlling interests	-	-	-	-
Owners of the parents	31.9	27.7	4.2	15.2

Revenues from Sales for the first quarter of the year 2026 compared with the first quarter of the year 2025

For the first quarter of the year 2026, the Group had revenues from sales of 294.3 Million Baht, which decreased by 19.8 Million Baht or 6.3%, when compared with the year 2025, which had revenues from sales of 314.1 Million Baht. The main reasons for the decrease in revenue from sales amounting to 19.8 Million Baht were mainly decreased by Food ingredients of 18.2 Million Baht or 6.7% and decreased by Feed ingredients of 1.6 Million Baht or 3.6%

The company and its subsidiaries Gross Profit for the first quarter of the year 2026 compared with the first quarter of the year 2025

Unit : Million Baht

Gross Profit	For the period ended 31 March		Change	
	2026	2025	Amount	%
Gross Profit	71.6	72.9	(1.3)	(1.8)
Propotion to revenue from sales	24.3%	23.2%	1.1%	

Gross Profit for the first quarter of the year between 2026 and 2025 was 71.6 Million Baht and 72.9 Million Baht respectively. The gross margin was increased as the cost of goods decreased, by efficient exchange rate management and others supporting factors. That was the reason of increased of gross margin by 1.1%.

Sales and Administrative Expenses for the company and its subsidiaries for the first quarter of the year 2026 compared with the first quarter of the year 2025

Unit : Million Baht

Selling and Administrative Expenses	For the period ended 31 March		Change	
	2026	2025	Amount	%
Selling and Administrative Expenses	33.3	35.6	(2.3)	(6.5)
Propotion to revenue from sales	11.3%	11.3%	0.0%	

The main reasons for the change in selling and administrative expenses for the first quarter of the year 2026 and 2025

For the first quarter of the year 2026, selling and administrative expenses decreased by 2.3 Million Baht or 6.5%. Selling expenses decreased by 1.1 Million Baht, mainly due to lower employee-related expenses and sales promotion expenses. In addition, administrative expenses decreased by 1.2 Million Baht as there were building renovation expenses incurred in 2025.

Profit for the first quarter of the year 2026 and the year 2025

Unit : Million Baht

Profit	For the period ended 31 March		Change	
	2026	2025	Amount	%
Profit	31.9	27.7	4.2	15.2
Propotion to revenue from sales	10.8%	8.8%	2.0%	

For the first quarter of the year 2026, the Company recorded an increase in net profit of 4.2 Million Baht or 15.2% from the last year. This main reason was due to the gain of exchange rate currency, efficient cost of sales management, and well-controlled administrative expenses. This reflects the efficient, internal management, which complies with the current situation of the company.

Analysis of the Financial Position as of 31 March 2026 the Company and its subsidiaries

Financial Position (In Million Baht)	31 Mar 2026	31 Dec 2025	Change	
			Amount	%
Total Current Assets	950.8	901.2	49.6	5.5
Total Non-Current Assets	536.4	476.5	59.9	12.6
Total Assets	1,487.2	1,377.7	109.5	7.9
Total Current Liabilities	215.6	137.8	77.8	56.5
Total Non-Current Liabilities	114	114.2	(0.2)	(0.2)
Total Liabilities	329.6	252.0	77.6	30.8
Shareholders' Equity	66.6	66.6	-	-
Share premium	762.9	762.9	-	-
Legal reserved	6.7	6.7	-	-
Unappropriated retained earnings	321.4	289.5	31.9	11.0
Non-Control interests	-	-	-	-
Total Shareholders' Equity	1,157.6	1,125.7	31.9	2.8

Assets

As of 31 March 2026, the Group had total assets of 1,487.2 Million Baht, which was an increase of 109.5 Million Baht or 7.9% increase from the balance as of 31 December 2025, where the total assets were 1,377.7 Million Baht. The significant changes comprised of; an increase of cash of cash equivalents (13.5 Million Baht), an increase in property, plant and equipment (61.3 Million Baht) mainly due to factory construction in progress, an increase in trade accounts receivable and others (8.9 Million Baht), the inventory (9.6 Million Baht), and an increase in other current assets (15.3 Million Baht) due to advances for inventory.

Liabilities

As of 31 March 2026, the group had total liabilities of 329.6 Million Baht, which was equivalent to 22.2% of the total assets, with an increase of 77.6 Million Baht or 30.8% compared with total liabilities as of 31 December 2025, where the total of liabilities were 252.0 Million Baht. The main reasons were the effects from the trade and other payables increase of 71.1 Million Baht due to trade payables for goods in transit and payables for factory construction and purchase of equipment, and corporate income tax payable increase of 7.2 Million Baht.

Shareholders' Equity

As of 31 March 2026, the group had total shareholders' equity of 1,157.6 Million Baht, which was equivalent to 77.8% of the total assets. The shareholders' equity was increased by net operating profit for the period in the amount of 31.9 Million Baht or 11.0% when compared with total shareholders' equity as of 31 December 2025 (1,125.7 Million Baht).

Financial Ratios as at 31 March 2026

Compared with Financial Ratios as of 31 December 2025

1) Efficiency ratios

Financial Ratios	For the period ended 31 March 2026	For the period ended 31 December 2025
<u>Profitability Ratio</u>		
Gross Profit Margin (%)	24.3%	23.8%
Net Profit Margin (%)	10.8%	9.9%
Return on Equity (%)	14.3%	11.2%
<u>Efficiency Ratio</u>		
Return on Asset (%)	11.4%	11.5%
<u>Financial policy Ratio</u>		
Debt to Equity Ratio (Time)	0.3	0.2

2) Liquidity Ratio

Financial Ratios	For the period ended 31 March 2026	For the period ended 31 December 2025
<u>Liquidity Ratio</u>		
Current Ratio (Time)	4.4	6.5
Quick Ratio (Time)	3.1	4.5
Average Collection Period (Day)	58	56
Average Sale Period (Day)	113	108
Average Payment Period (Day)	60	47
Cash Cycle (Day)	111	117

The Company and its subsidiaries Cash Flow Statements for the first quarter of the year 2026 and 2025

Cash Flow Statements (In Million Baht)	The first quarter of the year 2026	The first quarter of the year 2025
Cash flow from operating activity		
Net cash flows provided by operating activity	52.0	27.0
Cash flow from investing activity		
Net cash flows used in investing activity	(39.2)	(2.4)
Cash flow from financing activity		
Net cash flows used in financing activity	(0.8)	(0.8)
Net cash and cash equivalents increased (decreased)	12.0	28.6
Brought forward in cash and cash equivalents	340.9	259.7
Gain(loss) on exchange rate	1.5	(0.1)
Carried forward in cash and cash equivalents	354.4	288.2

Cash Flow Statements as of 31 March 2026 as follows

- 1) The net cash flow provided by operating activities was 52.0 Million Baht.
- 2) The net cash flow used in investing activities was 39.2 Million Baht. The main effect was from the finance revenue of 1.5 Million Baht. It was used from payment for factory construction and equipment of 40.6 Million Baht.
- 3) The net cash flow used in financing activities was 0.8 Million Baht. The effect was from the payment of the lease liabilities.
- 4) The cash and cash equivalents were 354.4 and 340.9 Million Baht as of 31 March 2026 and 31 December 2025, respectively.