*(Translations)*

Date: August 3, 2026

Subject: Submission of Financial Statements of the second Quarter and the six-month periods ended 30 June 2026 and Management Discussion and Analysis comparing with the previous year.

To: Director and Manager of the Stock Exchange of Thailand

Cc: Secretary General of the Office of Securities and Exchange Commission

Thai Optical Group Public Company Limited (the "Company") is pleased to submit the Company's operating results report of year 2026 as follows:

1. Financial Statements for 6 months ended June 30, 2026 of the Company and its subsidiaries.
2. Management Discussion and Analysis (MD&A) for the second Quarter ended June 30, 2026.
3. Summary of the Financial for the year of the Company and its subsidiaries (F45-3).

Remark: Disclosure both in Thai and English Versions.

For your acknowledgement and please disseminate to investors accordingly.

Yours Sincerely,
Thai Optical Group PCL.

_____
(Mr. Torn Pracharktam)
Chief Executive Officer

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**Thai Optical Group Public Company Limited**

Management Discussion and Analysis (MD&A)

Operating Results for six-month period ended June 30, 2026

## Global Economic Overview

The global economy continued to expand at a moderate pace in the second quarter of 2026, amid uncertainties arising from the trade policies of major economies, geopolitical conflicts, and volatility in energy prices. U.S. import tariff measures continued to affect trade flows, investment decisions, and business confidence. Although greater clarity emerged at certain points during the quarter, risks remain regarding potential changes in future trade measures and conditions.

The conflict in the Middle East contributed to volatility in energy prices, transportation costs, and delivery lead times. Although the situation partially eased toward the end of the quarter, the security of transportation routes and the continuity of global supply chains remain key factors requiring close monitoring.

China's economy expanded by 4.3% year-on-year in the second quarter of 2026, supported primarily by the services sector and technology-related industries, while domestic demand and the real estate sector continued to recover at a limited pace. Meanwhile, the Eurozone economy was expected to record modest growth, constrained by energy costs and weak economic confidence.

Under these conditions, manufacturers and exporters must continue to focus on managing costs, raw materials, inventories, logistics, and foreign exchange risks, while closely monitoring changes in international trade measures.

## Thai Economic Overview

The Thai economy continued to expand in the second quarter of 2026, supported by merchandise exports and private investment, particularly in technology-related activities. However, the recovery in private consumption, the services sector, and tourism remained uneven amid pressures from the cost of living and energy prices.

The Bank of Thailand projected that the Thai economy would grow by 2.3% in 2026 and 1.8% in 2027, with exports and private investment remaining the key economic drivers. Nevertheless, debt burdens and debt-servicing capacity among small and medium-sized enterprises and financially vulnerable households remain important factors to monitor.

The export sector continued to record strong growth, increasing by 10.6% year-on-year in May 2026 and by 17.0% during the first five months of the year. However, imports grew at a faster pace, partly due to increased imports of capital goods, raw materials, and energy to support production activities.

Headline inflation increased by 2.42% year-on-year in June 2026, driven by higher energy and transportation costs. Meanwhile, the Thai baht depreciated during the quarter, supporting export revenue when translated into Thai baht, but potentially increasing the cost of imported raw materials and foreign currency-denominated expenses.

Overall, the Thai economy remains exposed to risks arising from global economic uncertainty, international trade policies, energy prices, and foreign exchange volatility, which may affect exports, production costs, and domestic purchasing power.

**Risk Factors Affecting the Group's Business**

**1) U.S. Import Tariffs and Trade Measures**

Following the ruling of the U.S. Supreme Court that the International Emergency Economic Powers Act ("IEEPA") did not authorize the President to impose import tariffs, the United States introduced a temporary import tariff of 10% under Section 122 for a period of 150 days. The measure remained in effect throughout most of the second quarter of 2026. The applicable tariff rate for each product depends on its customs classification, the ordinary tariff rate, and any available exemptions.

Given the limited duration of the measure and the possibility that the United States may introduce additional measures under other trade laws or impose product-specific measures, uncertainties regarding import tariffs and trade conditions remain a significant risk for the Group, which exports ophthalmic lens products to the U.S. market.

Changes in tariff rates may affect end-product prices, customer demand, order planning, cost structures, and product competitiveness. The Company therefore continues to monitor the actual tariff rates imposed under the relevant customs classifications, rules of origin, and U.S. customs practices, while continuously assessing the potential impact on product mix, pricing, and commercial terms.

**2) Geopolitical Risks and Supply Chain Disruptions**

The conflict in the Middle East caused significant disruption to shipping through the Strait of Hormuz during the early part of the year and continuing into the second quarter, resulting in volatility in energy prices, freight rates, insurance premiums, and transportation lead times.

Although shipping activity and oil production capacity began to recover following the preliminary agreement reached on 18 June 2026, production and export volumes had not yet returned to pre-conflict levels. In addition, uncertainty remained regarding the security of maritime routes and the sustainability of the agreement.

For the Group, these risks may affect the availability and prices of petrochemical-related raw materials, including specialty plastics, lens-coating materials, and certain chemicals, as well as the cost and lead time for transporting raw materials and finished products to overseas customers.

**3) Foreign Exchange Risk**

The Thai baht depreciated against the U.S. dollar during the second quarter, reflecting changes in the direction of U.S. monetary policy and increased demand for U.S. dollar-denominated assets during periods of financial market volatility. This supported the Group's export revenue when translated into Thai baht.

Nevertheless, foreign exchange volatility remains a significant risk. A depreciation of the Thai baht may increase the cost of imported raw materials, machinery, and foreign currency-denominated expenses, while a rapid appreciation of the Thai baht may reduce the value of export revenue and weaken price competitiveness.

The Company therefore manages foreign exchange risks in alignment with expected collection schedules, foreign currency obligations, and its cost structure in order to maintain the stability of the Group's revenue, cash flows, and profit margins.

**4) Energy and Logistics Costs**

Throughout most of the second quarter, crude oil and petroleum product prices remained highly volatile due to disruptions to shipping through the Strait of Hormuz. Although crude oil prices declined toward the end of June as shipping activity began to recover, refined petroleum product markets and certain transportation services remained constrained.

For the ophthalmic lens manufacturing and export business, such volatility may affect electricity costs, petrochemical-based raw material costs, packaging material costs, freight expenses, and insurance premiums. Higher costs may place pressure on gross profit margins if the Company is unable to improve production efficiency, adjust its product mix, or pass the increased costs on to customers appropriately and in a timely manner.

**5) Labor Market and Production Dependency**

The Thai business sector continues to face labour shortages, particularly for personnel with technical, engineering, quality control, and advanced manufacturing technology skills. These shortages may affect labour costs, production efficiency, and the ability to accommodate increased customer orders. During the second quarter of 2026, the private sector called on the government to accelerate measures to address the labour shortage.

The Group therefore places importance on employee retention, skills development, workforce planning, and the increased use of automation in its production processes. These initiatives are intended to reduce labour dependency, control costs, and maintain product quality standards over the long term.

**The Group's Risk Mitigation Strategies**

The Group continues to pursue a strategy of diversifying its export markets across Europe, South Asia, ASEAN, and other markets with growth potential in order to reduce revenue concentration and dependence on the U.S. market. The Group also focuses on markets offering attractive long-term growth prospects and appropriate trade conditions.

For the U.S. market, the Group closely monitors developments in import tariff measures following the U.S. Supreme Court ruling, including the duration of the temporary tariffs imposed under Section 122 and the possibility that the United States may introduce additional measures under other trade laws. The Company continuously assesses the actual tariff rates applicable to the customs classification of each product, together with the potential impact on pricing, product mix, commercial terms, and competitiveness.

In terms of cost management, the Group focuses on procurement planning, maintaining appropriate inventory levels, diversifying supply sources, managing suppliers, and monitoring transportation lead times in order to mitigate the impact of volatility in energy, raw material, and freight costs. At the same time, the Group continues to enhance production efficiency through automation, waste reduction, yield improvement, and research and development of higher-value-added products.

Regarding foreign exchange risk, the Group continues to use financial instruments, such as forward foreign exchange contracts, together with natural hedging strategies where appropriate. Such measures are aligned with projected cash flows and obligations in each currency in order to limit the impact of exchange rate volatility on revenue, cash flows, and profit margins.

In addition, the Group places importance on business continuity management by monitoring transportation route security, the situation in the Strait of Hormuz, and the availability of raw materials and energy. The Group also maintains alternative supply sources, transportation routes, and appropriate safety stock levels to ensure its ability to fulfil customer orders continuously.

**Sustainability (ESG)**

The Group continues to operate under a sustainability framework by integrating environmental, social, and governance considerations into its strategy formulation, risk management, and operational processes to support long-term growth and maintain its competitiveness in international markets.

In the environmental dimension, the Group aims to improve energy efficiency, promote the use of renewable energy, and reduce waste and resource consumption in its production processes. The Group also assesses climate-related risks that may affect its production facilities, raw material sources, and supply chains. Energy price volatility during the second quarter further highlighted the importance of reducing dependence on fossil fuels and systematically managing energy efficiency.

In the social dimension, the Group places importance on the health, safety, and well-being of its employees, together with the development of technical, digital, and automation-related skills to prepare its workforce for changes in manufacturing technology. The Group also promotes diversity, employee development, and engagement with surrounding communities to create sustainable shared value.

In the governance dimension, the Group conducts its business in accordance with good corporate governance principles, with an emphasis on transparency and accountability. The Group also places importance on internal control systems, risk management, and compliance with applicable laws and regulations, particularly changes in trade regulations, import tariffs, rules of origin, foreign exchange matters, responsible procurement, and supply chain continuity. These practices enable the Group to operate with stability and resilience in a rapidly changing business environment.

**Consolidated Financial Performance**

In Q2/2026, the Company and its subsidiaries recorded total revenues of Baht 1,003 million, an increase of Baht 126 million or 14% from the same period of the previous year. The Group reported a net loss of Baht 32 million, decrease of Baht 73 million or 176% from the previous year.

For the six months of 2026, the Company and its subsidiaries recorded total revenues of Baht 1,927 million, an increase of Baht 149 million or 8% from the previous year, and net profit of Baht 71 million, a decrease of Baht 69 million or 49% from the previous year. Details are presented in the table below.

| **Consolidated Financial Statements** (Unit: million Baht) | **Q2/2026** | **Q2/2025** | **6M/2026** | **6M/2025** |
|---|---|---|---|---|
| Total Revenues | 1,003 | 877 | 1,927 | 1,779 |
| Cost of Sales and Services | 653 | 730 | 1,357 | 1,417 |
| Selling and Administrative Expenses | 392 | 85 | 497 | 184 |
| Net Profit (Loss) | (32) | 42 | 71 | 140 |

For the six-month period of 2026, sales increased in certain regions, with Canada recording growth of 43% and the Americas region increasing by 8%. In contrast, sales in Australia and New Zealand decreased by 23%, Europe decreased by 19%, and the Middle East and Africa decreased by 10%.

The ratio of cost of sales and services to revenue from sales and services decreased slightly from the previous year, mainly due to a shift in product mix toward higher gross-margin products. Selling and administrative expenses increased slightly, primarily as a result of the implementation of SAP S/4HANA, which is expected to enhance the Group's long-term operational efficiency, together with higher selling and marketing communication expenses.

The Group also recognized the full amount of loss from the write-off of damaged assets following a fire at the Operation 1 production building on 19 April 2026. The incident caused damage to inventories, buildings, structures, and machinery, with a total net book value of THB 299 million. The Company submitted a First Interim Claim to its insurer and subsequently received a Partial Form of Acceptance ("Partial FOA"). The Company expects to receive an interim insurance compensation payment of THB 150 million in July 2026. With respect to the remaining insurance claim, the Company is coordinating

with and submitting supporting information to the insurer for review and assessment in accordance with the relevant procedures. The final amount and timing of the remaining insurance compensation have not yet been determined.

**Operating Results Analysis**

**1. Revenues and Expenses of the Company and its subsidiaries**

1.1 Revenue from sales and services

In Q2/2026, the Company and its subsidiaries recorded revenue from sales and services of Baht 837 million, a decrease of 4% from the previous year. Growth was mainly driven by Value-added Lenses and Rx/Prescription Lenses, while the proportion of Standard Lenses declined slightly. The decrease in quarterly revenue was primarily attributable to the fire in April 2026, which affected certain production processes and delayed the delivery Standard Organic Lenses to overseas customers.

For the six months of 2026, the Company and its subsidiaries earned revenue from sales and services of 1,738 million Baht, representing a decrease of 2% compared to the previous year. However, sales in foreign currency terms increased by 2% year-on-year, primarily driven by the Value-added Lenses and Rx/Prescription Lenses segments, while the proportion of Standard Organic Lenses slightly declined. During the period, the Thai Baht appreciated by 5%, from an average exchange rate of 33.42 Baht per US dollar in the first six months of 2025 to 31.85 Baht per US dollar in the first six months of 2026. Consequently, revenue from sales and services, when translated into Thai Baht, decreased despite the increase in sales in foreign currency terms.

**The Revenue by Product Groups are as follows:**

| **Revenue by Product Groups** | **Manufacturer** | **Q2/2026** | **Q2/2025** | **6M/2026** | **6M/2025** |
|---|---|---|---|---|---|
| 1. Standard Organic Lenses | The Company and its subsidiaries. | 17 | 22 | 18 | 20 |
| 2. Value-added Lenses * | The Company | 27 | 25 | 27 | 25 |
| 3. Rx/Prescription Lenses | The Subsidiary Company | 47 | 43 | 46 | 46 |
| 4. Mineral Lenses/Other Products and Services | The Company and its subsidiaries. | 9 | 9 | 9 | 9 |
| **Total** | | **100** | **100** | **100** | **100** |

Note: * Value-added Lenses consist of Hi-index Lens, Photochromic Lens, and High Impact Resistance Lens.

1.2 Cost of Goods Sold

In Q2/2026, the ratio of cost of sales and services to revenue from sales and services was 78%, a decrease of 6% from the previous year.

For the six months of 2026, the ratio of cost of sales and services to revenue from sales and services was 78%, a decrease of 2% from the previous year.

Gross profit increased, mainly due to a shift in product mix toward higher-value and higher-margin products, together with production efficiency improvements. These benefits were partially offset by higher raw material prices and overhead costs in line with market conditions, increased depreciation from investments in new machinery and technology, together with the accounting impact from the appreciation of the Thai Baht.

1.3 Selling and Administrative Expenses

In Q2/2026, the Company and its subsidiaries recorded selling and administrative expenses of Baht 93 million, an increase of Baht 8 million from the previous year.

For the six months of 2026, the Company and its subsidiaries recorded selling and administrative expenses of Baht 198 million, an increase of Baht 14 million from the previous year.

The increase was mainly attributable to higher expenses related to overseas warehousing and marketing activities to expand the customer base, as well as the implementation of SAP S/4HANA, which is expected to enhance the Group's long-term operational efficiency.

1.4 Loss from Write-off of Damaged Assets

In Q2/2026 and for the six-month period ended 30 June 2026, the Company and its subsidiaries recognized a loss from the write-off of damaged assets amounting to 299 million Baht. The loss was entirely attributable to the fire incident at the Operation 1 production building on 19 April 2026, which caused damage to inventories, buildings, structures and machinery with an aggregate net book value of 299 million Baht.

1.5 Net Profit

In Q2/2026, the Company and its subsidiaries recorded a net loss of Baht 32 million, a decrease of Baht 73 million or 176% from the previous year.

For the six months of 2026, the Company and its subsidiaries recorded net profit of Baht 71 million, a decrease of Baht 69 million or 49% from the previous year.

The key factors affecting the Group's operating results were the fire incident at the Operation 1 production building on 19 April 2026 and the appreciation of the Thai Baht. The fire caused damage to inventories, buildings, structures and machinery with an aggregate net book value of 299 million Baht and temporarily disrupted certain production processes.

In addition, the Thai Baht appreciated by 5%, from an average exchange rate of 33.42 Baht per US dollar in the first six months of 2025 to 31.85 Baht per US dollar in the first six months of 2026. This adversely affected revenue translated into Thai Baht.

Net profit was also affected by a shift in Product Mix toward higher value-added products, which incurred higher raw material costs and more complex production processes during the initial stage, together with higher depreciation expenses arising from investments in new machinery and technology aimed at enhancing long-term production efficiency. Selling and administrative expenses increased due to overseas warehousing and marketing activities to expand the customer base,

However, the Group continued to manage its finance costs effectively through the reduction of interest-bearing debt and the optimization of its financing structure. The downward trend in interest rates also contributed to lower interest expenses compared with the previous year, partially supporting the Group's overall operating results. The Group remains focused on managing its cost structure and foreign exchange exposure in a systematic manner to maintain the stability of its operating performance amid volatility in external factors.

**2. Financial Status**

**1. Assets**

The Company and its subsidiaries had total assets of **Baht 4,519 million** which decreased by Baht 50 million. The significant increases and decreases as follows;

- **Current assets** increased by Baht 1 million, primarily due to an increase of Baht 117 million in other **current assets** arising from estimated insurance claim income and an increase of Baht 21 million in **trade and other receivables** from sales near the end of the period. These increases were offset by a decrease of Baht 96 million in **inventories** following the fire incident and a decrease of Baht 42 million in **cash and cash equivalents**.
- **Non-current assets** decreased by Baht 51 million, mainly due to a decrease of Baht 81 million in **property, plant and equipment,** resulting from the write-off of assets damaged by the fire incident amounting to 164 million Baht, together with the normal depreciation of machinery.

**2. Liabilities**

Total liabilities amounted to **Baht 2,130 million**, an increase of Baht 21 million from the end of the previous year. The significant changes were as follows:

- **Current liabilities** increased by Baht 94 million, primarily due to an increase of Baht 122 million in **short-term borrowings from financial institutions** for working capital purposes, partly offset by a decrease of Baht 43 million in **trade and other payables**.
- **Non-current liabilities** decreased by Baht 74 million, mainly attributable to scheduled repayments of **long-term borrowings from financial institutions** amounting to Baht 64 million, which contributed to lower interest expenses and a reduced proportion of interest-bearing debt.

### 3. Shareholder's equity

Shareholders' equity totaled **Baht 2,389 million**, a decrease of Baht 71 million from the end of the previous year. The decrease was mainly attributable to the Group's operating results for the six-month period, which were affected by the recognition of a loss from the write-off of assets damaged by the fire incident amounting to 299 million Baht. In this regard, the Company received a Partial Form of Acceptance ("Partial FOA") from the insurer for interim insurance compensation of 150 million Baht, which is scheduled to be received in July 2026. Although the Company reported a net loss for the second quarter of 2026 due to losses arising from the fire incident, excluding such impact, the Company remained profitable from its normal business operations, reflecting the profitability of its core business and its potential for future business growth.

## 3. Cash Flow

Cash earned (used) as of June 30, 2026, comparing to prior year. (Unit: million Baht)

| Items | 6M/2026 | 6M/2025 | Amount change | % change |
|---|---|---|---|---|
| Cash earned (used) in operating activities: | 277.57 | 368.89 | (91.32) | (25) |
| Cash earned (used) in investment activities: | (210.83) | (204.29) | 6.54 | 3 |
| Cash earned (used) in financing activities: | (108.29) | (163.46) | 55.17 | 34 |
| **Net cash Increased /(Decreased)** | **(41.55)** | **1.14** | **(42.69)** | **(3,757)** |

**Cash flows from operating activities**

The Company and its subsidiaries generated net cash from operating activities of Baht 277.57 million, a decrease of Baht 91.32 million from the previous year. The decrease was mainly attributable to the net accounting impact of 149 million Baht arising from the fire incident recognized in Q2/2026. Nevertheless, the Company continued to generate positive operating cash flow, reflecting the quality of its earnings and its ability to consistently generate cash from its core operations despite volatility in external factors and changes in product mix.

**Cash flows used in investing activities**

Net cash used in investing activities amounted to Baht 210.83 million, a decrease of Baht 6.54 million from the previous year, investment in 2026 continues in accordance with the strategic plan, focusing on machinery efficiency improvements to expand production capacity and support demand for high-margin products.

**Cash flows used in financing activities**

Net cash used in financing activities amounted to Baht 108.29 million, a decrease of Baht 55.17 million from the previous year. The change mainly reflected the gradual repayment of borrowings drawn in 2025 to support major investments in machinery and information technology systems, together with an increase in short-term financing through trust receipts in 2026. As a result, net cash used in financing activities decreased compared with the previous year.

## 4. Financial Ratios Analysis

| Financial Ratios | | | Year 2026 | Year 2025 |
|---|---|---|---|---|
| **Profitability Ratio** | | | | |
| Gross Profit Margin | GP | % | 21.95 | 20.08 |
| Net Profit Margin | NP | % | (3.77) | 9.45 |
| **Efficiency Operating Ratio** | | | | |
| Return on Equity | ROE | % | 10.96 | 13.94 |
| Return on Asset | ROA | % | 6.48 | 8.98 |
| Average Collection Period | ACP | Days | 57.24 | 46.96 |
| Average Age of Inventory | AAI | Days | 223.11 | 222.85 |
| Average Accounts Payable | APP | Days | 60.51 | 55.42 |
| **Liquidity Ratio** | | | | |
| Debt to Equity ratio | D/E ratio | Times | 0.89 | 0.86 |