Thai Wah Public Company Limited

Creating Innovation and Sustainability from Farm to Shelf

Management Discussion and Analysis (MD&A) Q3'26

11 November 2026



Management Discussion and Analysis (MD&A)

Consolidated Financial Results for Q3/2026 and 9M/2026

Executive Summary

Thai Wah Public Company Limited **("TWPC")** delivered revenue and net profit growth in Q3/2026 despite elevated cassava root costs and additional cost pressures from higher transportation costs. Consolidated revenue increased by 9.3% YoY to THB 2,477.6 million, supported by selling price adjustments in Native Starch and growth in the Food Business. Net profit attributable to owners of the parent rose by 63.8% YoY to THB 29.0 million, while EBITDA increased by 11.8% to THB 194.0 million. For 9M/2026, consolidated revenue grew by 5.4% YoY to THB 7,239.7 million, and net profit attributable to owners of the parent increased by 7.9% to THB 168.3 million.

Built for resilience on three core engines

Under the TW 2030 ambition the Company set out to shift the weight of Group profit toward Food and Specialty Ingredients, so that earnings depend less on the cassava cycle. In 9M/2026 the Food Business contributed **52.6% of consolidated gross profit, from 44.2%** a year earlier, on approximately 28% of consolidated revenue. In Q3/2026 the figure was **54.6%, from 49.9%**. Growth in Food gross profit substantially offset the decline in Starch gross profit, which is why the Group grew profit in a quarter when its largest business by revenue was under input cost pressure. This is progress in the intended direction. Starch remains the larger business by revenue and the Group remains exposed to the cassava cycle but within manageable parameters.

Food is growing, HVA (Specialty Ingredients) is being built, Native Starch is stable

The Food Business grew revenue 14.2% in the quarter on sales volume growth of 13.1%, almost all of it volume rather than price, with Thai Wah Vietnam sustaining double-digit sales and volume growth over the nine months. In HVA, nine-month revenue fell 7.2% while sales volume was broadly flat, down 0.6%, as a high prior-year base worked through. This is where the Company is investing most directly. New modified starch capacity and the China premix facility are intended to move the business into intermediate blends and premium application-specific solutions from 2027 onward.

Native Starch has been managed through this cycle for stability rather than volume growth, and on gross profit per tonne. Revenue rose 28.5% year on year on sales volume 17.7% lower as price adjustments recovered higher root costs, and gross profit per tonne improved. Consolidated gross profit margin fell to 17.9% from 19.8%, but that principally reflects the pass-through, because when prices rise to recover cost the revenue base expands and the percentage falls even where unit profitability is protected. The Company does not present this as the cycle being over, and fresh root prices are assumed at high level again in 2027. What has changed is that the business is no longer a source of significant earnings swings.

Outlook

For the full year 2026 the Company expects to deliver **healthy growth in net profit attributable to owners of the parent**. Looking ahead to 2027, TWPC will prioritize growth in Food and Specialty Ingredients through product innovation, customer expansion and its regional operating platform, with Well-Grow's sauce, seasoning and formulation capabilities complementing Thai Wah's expertise in noodles and texture. With cassava supply expected to remain constrained, the Company will continue to align selling prices with raw material costs and to apply the three operating strategies that supported this quarter, namely cost control, multi-sourcing and operational excellence. Contributions from the 2026 investments will build progressively through 2027, with fuller benefit expected in 2028.

The Well-Grow acquisition, completed on 1 September, is an example of the Company using acquisition alongside organic investment, where doing so shortens the time to a capability that would otherwise take years to build. The Company continues to evaluate selective opportunities of this kind that strengthen the Food and Specialty Ingredients platform, applying consistent criteria of strategic fit, complementary capability and valuation discipline.

Key Development in Q3/2026

TWPC is building a resilient food system for communities, customers, and generations to come. Through strategic partnerships with global food leaders and technology innovators, we integrate food science with sustainability to strengthen every link in the food value chain, driving meaningful transformation across our ecosystem.

Building the food platform

- **1 September 2026: Well-Grow acquisition** The Company acquired a 79.99% stake in Well-Grow to strengthen its ready-to-eat food capabilities and expand into sauces and seasonings. Well-Grow's formulation expertise complements Thai Wah's noodle and texture capabilities, supporting broader **product development. Well-Grow has been consolidated since 1 September 2026**.

- **22 July 2026: China premix factory.** The Company commenced operations at its premix factory in Jiaxing, Zhejiang Province, China, as planned, supporting expansion in the premix flour market. This marks an important step in expanding the Group's food business and strengthening its presence in the rapidly growing Chinese market.

- **1 August 2026: Double Dragon Big Cup launch.** The Company introduced Double Dragon Big Cup glass noodles in two flavors, Boat Noodle Nam Tok and Traditional Tom Yum, at 7-11 stores. The launch expands the Company's ready-to-eat portfolio with a larger cup format, combining familiar Thai flavors with convenient preparation to meet consumers' demand for quick and satisfying meals

Standards and recognition

- **18 July 2026: carbon footprint certification.** Thai Nam Tapioca Co., Ltd. received Carbon Footprint of Product (CFP) certification from the Thailand Greenhouse Gas Management Organization (TGO), covering two Native Cassava Starch products in 25 kg and 850 kg packaging.
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- **25 September 2026: HR Asia Gold Awards.** The Company received HR Asia gold awards in excellence in HR communication strategy, learning and development and workplace culture. This award reflects the Company's commitment to employee well-being and capability development.
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- **29 September 2026: Thai FDA Quality Award.** The Company received the 2026 FDA Quality Award for Outstanding Food Establishment from the Thai Food and Drug Administration, reflecting the Company's commitment to manufacturing standards, product quality and food safety.



Figure 1: Launched Double Dragon Big Cup glass noodles in Boat Noodle Nam Tok and Traditional Tom Yum flavors.



Figure 2: Commenced operations at its premix factory in Jiaxing, Zhejiang Province, China



Figure 3: Received HR Gold Awards 2026, Excellence in HR communication Strategy, Workplace Culture and Learning and Development



Figure 4: Received Thai FDA Quality Award 2026, Outstanding Food Establishment

Business and Industry Overview

Food and ready-to-eat demand continue to grow, and the Company is growing faster

Consumer preferences are evolving toward meal solutions that reduce preparation time, fit busy daily routines and offer greater variety without compromising taste and quality. Wider availability through modern retail and convenience stores further improves accessibility and supports category growth. According to Krungsri Research's Industry Outlook 2027–2029, published in September 2026, Thailand's domestic RTE food sales volume is projected to grow by an average of 2.8–3.8% annually during 2027–2029, while RTE export volume is expected to grow by an average of 2.4–3.4% annually over the same period.

The Company's Food Business grew ahead of that market in the quarter, with revenue up 14.2% and sales volume up 13.1% against a category forecast in the low single digits. Growth at that rate therefore reflects share gain, and sustaining it will depend on continued product differentiation and channel distribution reach.

Manufacturers will continue to face intense competition and changing consumer expectations, including demand for more nutritious and lower-sodium products. Volatile raw-material and packaging costs, together with geopolitical and trade-related uncertainty, will also remain challenges for cost management and pricing. Against this backdrop, TWPC will focus on ready to eat and ready-to-cook meal solutions, differentiated product development and broader domestic and regional market reach. The Company's regional operations, combined with Thai Wah's expertise in noodles and texture and Well-Grow's complementary sauce, seasoning and formulation capabilities, will support the development of more complete food solutions that respond to evolving consumer preferences globally.

Cassava supply remained tight, and the Company focused on what it controls

Thailand's cassava supply remained tight in Q3/2026. According to the Cassava Production and Trade Survey Committee, Thailand's cassava production for the 2025/26 crop year is estimated at 18.5 million tonnes, down 9% YoY. Harvested area is estimated at 7.6 million rai, down 10.1% YoY, while average yield increased by 1.7% to 3.1 tonnes per rai. Based on available weekly observations, fresh cassava root prices averaged THB 3.1/kg (+18.0% QoQ), while domestic tapioca starch prices averaged between 20 - 22 THB/kg (+13.9% QoQ). FOB export starch prices averaged USD 702/tonne (+11.4% QoQ) respectively, reflecting elevated raw-material costs and starch selling prices.

Against this backdrop, Thai Wah recorded total Starch Business sales of THB 1,750.9 million in Q3/2026 (+6.7% YoY), while sales volume decreased by 14.1% YoY. Native starch volume declined by 17.7% YoY, while sales volume in Specialty Ingredients (HVA) decreased by 8.0% YoY. The Company manages fresh cassava root cost volatility through three key strategies including cost savings to improve production efficiency, a diversified supply chain across sourcing regions and ongoing crop monitoring and analytics to support procurement and production planning.

The Thai supply gap is structural, but the Company's sourcing base is regional

Looking ahead to 2027, Thailand's cassava supply is expected to remain constrained. Based on a planning assumption of domestic production of approximately 19–20 million tonnes for the 2026/27 crop year, supply would remain substantially below annual domestic industry requirements of 37–45 million tonnes of fresh-root equivalent, as cited by the Thai Tapioca Trade Association (TTTA). This imbalance is expected to drive competition for raw materials and upward pressure on procurement costs.

Given Thai Wah's multiple operating sites across Thailand, Cambodia and Vietnam, the company is in a unique position to optimize supply and cost regionally. On Company estimates, the combined cassava crop across the four principal producing countries of mainland Southeast Asia for the 2026/27 crop year is of the order of 50 million tonnes.

Cassava production, 2026/27 crop year (Company estimates)	Million tonnes	Position	Thai Wah Footprint
Thailand	19–20	Structural deficit against domestic demand	6 Factories
Cambodia	13–15	Structural surplus	1 Factory
Laos	~9	Structural surplus	Strategic Sourcing Partnership
Vietnam	~8	Deficit, draws roots from Cambodia	3 Factories
Four-country total	**~50**		

The Company believes its production footprint is not matched by any other tapioca starch producer. Its practical value is that a shortfall in one country does not translate directly into a shortfall for the Group. Roots can be drawn from the country with the better crop, production can be shifted between plants, and customers can be served from whichever origin is most economically feasible.

Moreover, NOAA forecasts an 81% chance of a very strong El Niño developing October-December 2026, potentially the strongest since 1950, with the Thai Meteorological Department projecting rainfall could fall by at least 10% from October 2026 through early 2027. Climate change leaves cassava supply highly exposed to rainfall shortfalls.

The supply constraint shapes the Company's strategy in two directions at once. It is why regional sourcing, contract farming and crop monitoring are operating priorities and it is why the Group is deliberately shifting the weight of its profit toward Food and Specialty Ingredients.

Summary of Consolidated Statement of Profit or Loss

Financial Performance for Q3/2026 and 9M/2026

Unit: Million Baht	Q3'25	Q3'26	%YoY	9M25	9M26	%YoY
Total Sales	2,266.3	2,477.6	9.3%	6,866.0	7,239.7	5.4%
COGS	1,817.1	2,033.2	11.9%	5,367.8	5,894.1	9.8%
Gross Profit	449.2	444.4	(1.1%)	1,498.2	1,345.6	(10.2%)
SG&A	409.7	423.5	3.4%	1,255.3	1,188.8	(5.3%)
Other income [1]	23.2	39.5	70.3%	75.3	104.8	39.2%
Gain (Loss) from fair value measurement of derivatives	(5.9)	4.2	171.2%	(8.7)	6.7	177.0%
EBIT	56.8	64.6	13.7%	309.5	268.3	(13.3%)
Core EBIT [2]	**56.8**	**64.6**	**13.7%**	**328.4**	**268.3**	**(18.3%)**
EBITDA	173.6	194.0	11.8%	656.6	626.9	(4.5%)
Core EBITDA [2]	**173.6**	**194.0**	**11.8%**	**675.5**	**626.9**	**(7.2%)**
Profit for the Period	14.2	34.1	140.1%	160.9	173.6	7.9%
Profit to attributable to owner of the parent	17.7	29.0	63.8%	156.0	168.3	7.9%
Key ratios (%)						
Gross profit margin	19.8%	17.9%	(1.9%)	21.8%	18.6%	(3.2%)
SG&A to net sale ratio	18.1%	17.1%	(1.0%)	18.3%	16.4%	(1.9%)
EBIT margin	2.5%	2.6%	0.1%	4.5%	3.7%	(0.8%)
EBITDA margin	7.7%	7.8%	0.2%	9.6%	8.7%	(0.9%)
Net profit margin for the period	0.6%	1.4%	0.7%	2.3%	2.4%	0.1%
Net profit margin to the owner of the parent	0.8%	1.2%	0.4%	2.3%	2.3%	0.1%

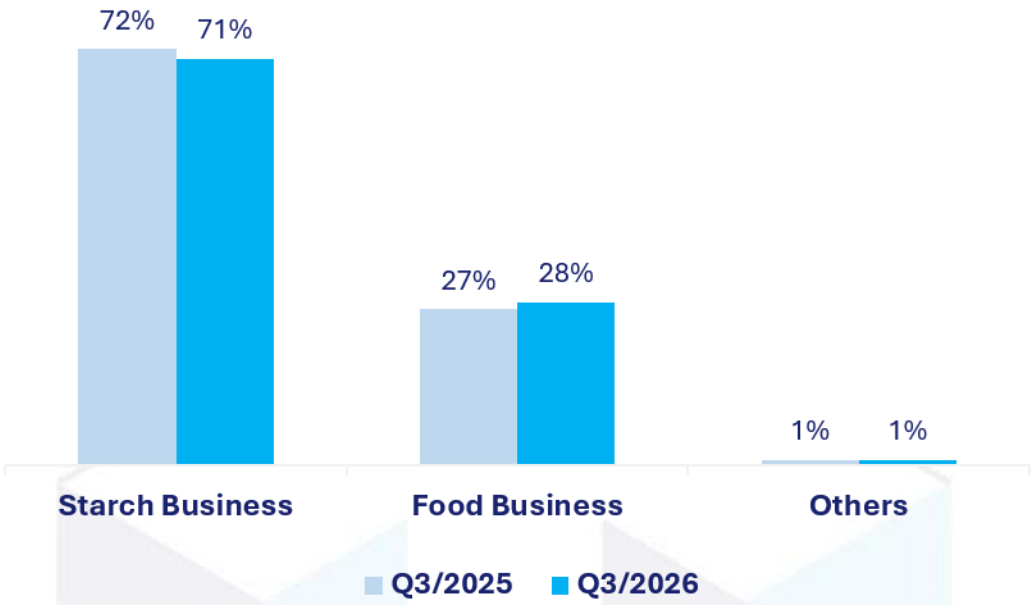
[1] Including net exchange gain

[2] Excluding non-recurring item from restructuring

Breakdown of Sales by Business Segment in Q3/2026 and 9M/2026

Unit: Million Baht	Q3'25	Q3'26	%YoY	9M25	9M26	%YoY
Total Sales	**2,266.3**	**2,477.6**	**9.3%**	**6,866.0**	**7,239.7**	**5.4%**
Starch Business	1,640.7	1,750.9	6.7%	4,903.5	5,135.6	4.7%
Native Starch	*744.2*	*956.3*	28.5%	*2,411.6*	*2,823.7*	17.1%
Specialty Ingredients (HVA)	*896.5*	*794.6*	(11.4%)	*2,491.9*	*2,311.9*	(7.2%)
Food Business	615.8	703.4	14.2%	1,895.4	2,000.1	5.5%
Others	9.8	23.3	137.8%	67.1	104.0	55.0%

Change in Revenue Mix: Q3/2025 vs 9M/2026



Summary of Operating Results for Q3/2026 and 9M/2026

In Q3/2026, TWPC recorded net profit attributable to owners of the parent of THB 29.0 million, up 63.8% YoY from THB 17.7 million in Q3/2025. Total sales increased by 9.3% YoY to THB 2,477.6 million, supported by selling price adjustments in Native Starch and sales volume growth in the Food Business, despite elevated cassava root costs and transportation costs. EBITDA increased by 11.8% YoY to THB 194.0 million. The Company continued to mitigate cost pressures through cost control, multi-sourcing and operational excellence.

Food Business revenue increased by 14.2% YoY to THB 703.4 million, supported by sales volume growth of 13.1%. Starch Business revenue rose by 6.7% YoY to THB 1,750.9 million, led by Native Starch sales growth of 28.5% to THB 956.3 million. Selling price increases implemented in response to higher cassava root costs lifted Native Starch's average sales per kilogram, more than offsetting lower sales volume.

SG&A expenses increased by 3.4% YoY to THB 423.5 million, with higher impairment charges contributing to the increase in administrative expenses. This was partly offset by lower advertising and promotion expenses and distribution costs. Nevertheless, the SG&A-to-sales ratio improved to 17.1% from 18.1% in Q3/2025, as revenue growth outpaced the increase in expenses.

For 9M/2026, net profit attributable to owners of the parent reached THB 168.3 million, up 7.9% YoY from THB 156.0 million. Total sales increased by 5.4% YoY to THB 7,239.7 million, with Native Starch and Food Business revenue growing by 17.1% and 5.5%, respectively. TWV sustained double-digit with both sales and volume growing at double-digit rates YoY in 9M/2026.

Nine-month SG&A expenses declined by 5.3% YoY to THB 1,188.8 million, mainly reflecting lower administrative expenses. The SG&A-to-sales ratio improved to 16.4% from 18.3% in 9M/2025.

Food Business Performance

Food Business revenue increased by 14.2% YoY to THB 703.4 million in Q3/2026, supported by sales volume growth of 13.1%, driven from volume with price increase adjustments. Volume-led growth of this kind provides a durable base and is a testament to the brand equity and strength of product innovation.

Growth was supported by domestic channel expansion, selling price adjustments and new product introductions. September performance reflected increased sales through online channels, such as Shopee and TikTok. New product distribution, including Rice Paper listings and the rollout of Double Dragon Big Cup, provided further support.

Market leadership in premium non-wheat

Double Dragon maintained its leadership of the premium non-wheat segment with a year-to-date market share of over 50%. In Q3, the Company grew its core listings and expand Big Cup into supermarket and hypermarket channels.

Vietnam and export

TWV sustained double-digit growth in both sales and volume YoY in 9M/2026. Vietnam remains an early-stage market for the Company in ready-to-eat, with the current portfolio weighted to fresh noodles. Export sales also contributed to growth, with expansion initiatives progressing across the United States, the United Kingdom, the European Union and Australia.

Nine-month performance

For 9M/2026, Food Business revenue totaled THB 2,000.1 million, up 5.5% YoY, supported by sales volume growth of 6.7%. Domestic Food sales grew by 5.5%, with continued growth in the Ready category, supported by Modern Trade distribution and Ready-to-Cook listings. Fresh noodle products and export sales also contributed to growth. TWV sustained double-digit with both sales and volume growing at double-digit rates YoY in 9M/2026. Continued product innovation and broader domestic and regional distribution reinforce the Food Business's role as a key growth engine within TWPC's portfolio.

Food gross profit grew over both periods, raising its contribution to consolidated gross profit to 54.6% in Q3/2026 from 49.9% and to 52.6% in 9M/2026 from 44.2%. Food gross profit grew more slowly than Food revenue in the quarter, reflecting higher tapioca and packaging input costs, with the September selling price adjustment taking effect late in the period.













Starch Business Performance

The Starch Business comprises Native Starch and Specialty Ingredients (HVA). The two are discussed separately below, reflecting their different strategic roles within the portfolio.

TWPC's Starch Business recorded revenue of THB 1,750.9 million in Q3/2026, up 6.7% YoY, while total Starch sales volume declined 14.1%. This reflects a deliberate choice. The Company prioritized profitability and production efficiency, adjusting operations in response to raw material availability and market conditions.

HVA: Volume has stabilized and the revenue decline is a base effect

Specialty Ingredients (HVA) revenue totaled THB 794.6 million in Q3/2026, down 11.4% YoY, with sales volume declining by 8.0%. The decrease reflected softer demand in selected applications and changes in sales mix compared with the prior-year period. For 9M/2026, HVA revenue decreased by 7.2% to THB 2,311.9 million. The HVA YoY comparison continued to be affected by a higher prior-year base, which benefited from a favorable glucose and organic contract cycle in 2025 that did not repeat. HVA sales volume declined by 0.6% YoY over the nine months, that is to say was broadly flat, indicating that underlying demand has held up as planned.

Where the Company is investing for growth

HVA is the part of the portfolio into which the Company is investing most directly. The Company continued to advance its Specialty Ingredients portfolio through application development and customer expansion, progressing toward intermediate blends and premix solutions to capture greater value and support long-term profitability. New modified starch capacity and the China premix facility at Jiaxing are the physical expression of that strategy. The new capacity introduces applications where margins are structurally higher, and customer relationships are less price-driven. Both are expected to ramp through 2027, with fuller benefit in 2028 as customer qualification completes.

Native Starch : A business managed for stability

Native Starch revenue increased by 28.5% YoY to THB 956.3 million, primarily driven by selling price adjustments implemented in response to higher cassava root costs. These adjustments lifted average sales per kilogram and more than offset lower sales volume, which declined 17.7%. Measured per kilogram, average realized price rose by more than 50% year on year. This reflects the Company's ability to pass raw material cost through in a tight market.

Managing the price–cost gap

The business is managed on gross profit per tonne rather than on percentage margin, because percentage margin is distorted by the level of the selling price. In a quarter in which fresh root prices rose 18.0% and the Company raised realized starch prices to recover that cost, Starch gross profit per tonne improved year on year while percentage margin declined. The percentage movement is the arithmetic of pass-through. The per-tonne movement is the measure of how well the gap between price and cost was managed. Volumes are lower by design, fresh root prices are assumed in a range of THB 3.20 to THB 4.00 per kilogram for 2027. Native Starch is no longer the source of earnings swings that previously made Group results difficult to anticipate, and it has continued to contribute positively to Group earnings through a period of exceptional raw material cost.

Nine-month performance

For 9M/2026, Starch Business revenue reached THB 5,135.6 million, up 4.7% YoY from THB 4,903.5 million. Native Starch revenue grew by 17.1% YoY to THB 2,823.7 million, supported by selling price adjustments, while Native Starch and HVA sales volumes declined by 3.8% and 0.6% YoY. Alongside managing raw material availability and production costs, the Company continued to advance its HVA portfolio through application development and customer expansion, progressing toward intermediate blends and premix solutions to capture greater value and support long-term profitability.

Gross Profit and Gross Profit Margin

In Q3/2026, gross profit totaled THB 444.4 million, down 1.1% YoY from THB 449.2 million, while gross profit margin declined to 17.9% from 19.8% in Q3/2025. Elevated cassava root costs continued to pressure the Starch Business, as increases in unit costs outpaced selling price adjustments. The Food Business provided a partial offset, with gross profit increases and its contribution to consolidated gross profit rising to 54.6% from 49.9% YoY.

For 9M/2026, gross profit reached THB 1,345.6 million, down 10.2% YoY from THB 1,498.2 million, with gross profit margin declining to 18.6% from 21.8%. Higher cassava root costs remained the principal pressure on Starch profitability. Food gross profit increased, raising its contribution to consolidated gross profit to 52.6% from 44.2% YoY and helping cushion the impact. Cost control, sourcing flexibility and production efficiency initiatives continued to mitigate cost pressures.

Selling, Distribution and Administrative Expenses (SG&A)

In Q3/2026, SG&A expenses increased by 3.4% YoY to THB 423.5 million from THB 409.7 million in Q3/2025. Administrative expenses rose by 6.8% YoY to THB 183.0 million, mainly reflecting higher impairment charges, partly offset by other administrative cost savings. Impairment charges totaled THB 39.1 million, compared with THB 3.2 million in Q3/2025. The impairment charges included adjustments to the carrying values of certain assets affected by changes in production technology. Selling and distribution expenses increased by 0.9% YoY to THB 240.6 million, with lower advertising and promotion expenses and distribution costs partly offsetting increases in other selling expenses. The SG&A-to-sales ratio improved to 17.1% from 18.1% in Q3/2025, as sales growth outpaced the increase in expenses.

For 9M/2026, SG&A expenses declined by 5.3% YoY to THB 1,188.8 million from THB 1,255.3 million in 9M/2025, mainly reflecting lower administrative expenses. Administrative expenses decreased by 14.1% YoY to THB 468.9 million, while selling and distribution expenses increased by 1.5% YoY to THB 719.9 million. The SG&A-to-sales ratio improved to 16.4% from 18.3% in 9M/2025.

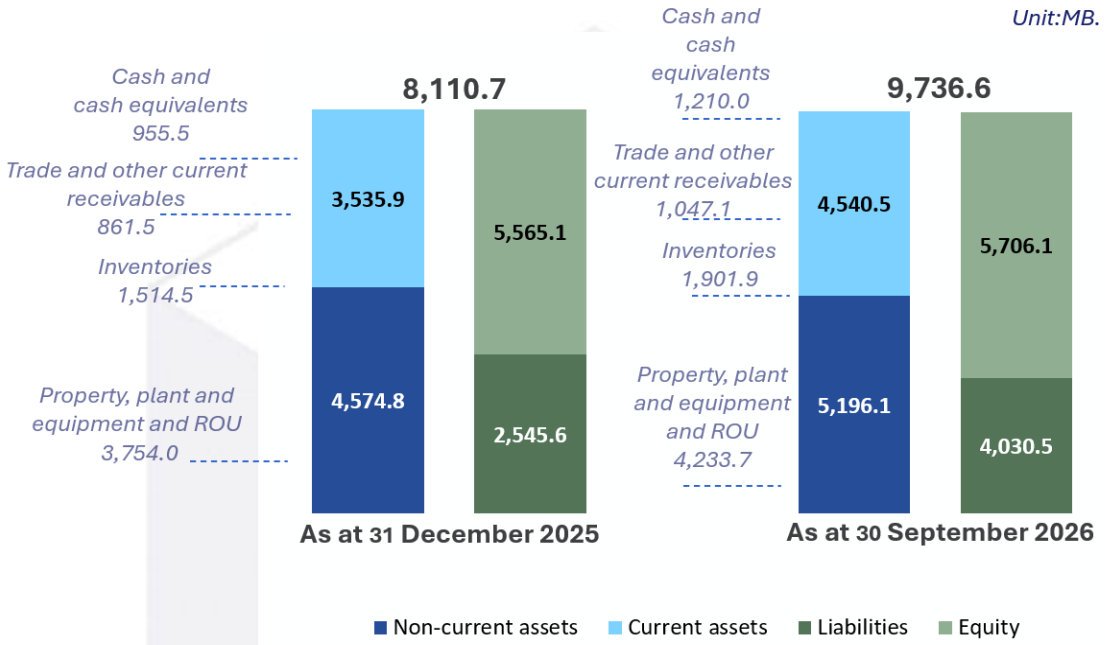
Profit Attributable to Owners of the Parent & NPM to the Owners of the Parent

In Q3/2026, the Company recorded net profit attributable to owners of the parent of THB 29.0 million, up 63.6% YoY from THB 17.7 million in Q3/2025, with the corresponding net profit margin improving to 1.2% from 0.8%. Revenue growth was supported by selling price adjustments in Native Starch and growth in the Food Business, while cost savings and production efficiency initiatives helped mitigate input cost pressures. SG&A expenses grew more slowly than revenue, improving the SG&A-to-sales ratio to 17.1% from 18.1%. Elevated cassava root costs and higher impairment charges continued to weigh on profitability.

For 9M/2026, net profit attributable to owners of the parent reached THB 168.3 million, up 7.8% YoY from THB 156.0 million in 9M/2025, with the corresponding net profit margin remaining broadly stable at 2.3%. Native Starch selling price adjustments and Food Business growth supported revenue, with Vietnam Food operations delivering double-digit sales growth. Sourcing

savings improved raw material efficiency and packing automation helped mitigate production cost pressures. Separately, SG&A expenses declined by 5.3% YoY, mainly reflecting lower administrative expenses. The SG&A-to-sales ratio improved to 16.4% from 18.3%. Lower finance costs also supported net profit growth. The Company will continue to manage raw material availability and cost volatility through cost control, multi-sourcing and operational excellence, while advancing growth in Food and Specialty Ingredients under the TW 2030 strategic roadmap.

Financial Positions Analysis



As of 30 Sep 2026, the Company's total assets amounted to THB 9,736.6 million, an increase of THB 1,625.9 million, or 20.0%, from THB 8,110.7 million as of 31 December 2025. The increase was mainly attributable to higher current assets, particularly inventories, which rose by THB 387.4 million. The increase in inventories reflected higher finished goods and raw material balances to support future sales and mitigate supply chain risks, as well as higher unit costs following the increase in cassava prices. Trade and other current receivables also increased by THB 185.6 million in line with sales growth in Q3/2026. In addition, property, plant and equipment and right-of-use assets increased by THB 479.7 million to support business expansion and enhance the Company's production capacity.

Total liabilities stood at THB 4,030.5 million, increasing by THB 1,484.9 million, or 58.3%, from 31 December 2025. The increase was mainly attributable to higher borrowings from financial institutions of THB 1,309.3 million to support capital expenditures and working capital.

Total equity was THB 5,706.1 million, increasing by THB 141.0 million, or 2.5%, from 31 December 2025, primarily driven by net profit for the period.

Cash Flow Analysis



As at 30 September 2026, the Company had cash and cash equivalents of THB 1,210.0 million, an increase of THB 254.5 million from THB 955.5 million as at 31 December 2025.

For the nine-month period ended 30 September 2026, the Company recorded net cash used in operating activities of THB 19.1 million, primarily due to an increase in net working capital, particularly higher trade receivables and inventories.

The Company recorded net cash used in investing in THB 910.7 million, mainly attributable to investments in property, plant and equipment to support operations and business expansion, as well as the acquisition of shares in a subsidiary amounting to THB 152 million.

In addition, the Company recorded net cash generated from financing activities of THB 1,148.2 million, primarily from borrowings from financial institutions.

Financial Ratio Analysis

Key Ratios	Q3-25	Q3-26	9M-25	9M-26
Gross profit margin	19.8%	17.9%	21.8%	18.6%
Net profit margin (owner)	0.8%	1.2%	2.3%	2.3%
EBITDA margin	7.7%	7.8%	9.6%	8.7%
Cash cycle (days)	77	84	77	82
Number of day of inventory (days)	59	60	58	58
Collection period (days)	38	37	39	36
Account payable (days)	20	13	20	12
Current ratio (times)	2.1	1.4	2.1	1.4
Interest bearing debt/Equity (times)	0.3	0.4	0.3	0.4
Return on equity, ROE	0.4%	0.6%	3.2%	3.4%
Return on asset, ROA	0.7%	0.7%	1.9%	3.0%

In Q3 and 9M 2026, the Company's **cash conversion cycle** increased to 84 days and 82 days, respectively, compared with 77 days in the same periods last year, reflecting a longer working capital cycle. This was mainly driven by a shorter payment period to suppliers, with accounts payable days decreasing from 20 days to 13 days in Q3 and 12 days in 9M 2026, as a greater proportion of root purchases were settled in cash in a tight market. Meanwhile, inventory days remained relatively stable, while the collection period improved compared with the same periods last year, partially offsetting the impact of shorter supplier payment terms.

Liquidity and financial position slightly weakened, with the current ratio declining to 1.4x in 9M 2026 from 2.1x in 9M 2025. The decrease was mainly attributable to the reclassification of long-term borrowings to current liabilities following the restructuring of loan facilities to optimize funding costs. Meanwhile, the interest-bearing debt-to-equity ratio increased slightly to 0.4x from 0.3x and remains conservative.

Return on equity (ROE) improved to 3.4% in 9M 2026 from 3.2% in 9M 2025, reflecting a slight improvement in returns generated for shareholders.

Return on assets (ROA) increased to 3.0% in 9M 2026 from 1.9% in 9M 2025, reflecting improved returns relative to the Company's average total assets.

Corporate Sustainability Development

Thai Wah continues to drive sustainability transformation through its 4F Sustainability Framework, which are Farmer Development, Green Factory and Community, Family and Well-Being, and Food and Finished Goods. Guided by its long-term vision targeting carbon neutrality by 2030 and net-zero greenhouse gas emissions by 2050, the Company remains committed to translating sustainability ambition into verified, measurable outcomes across its operations and value chain.

Climate and nature risk is now embedded in governance

The Company published its first standalone TCFD and TNFD reports on its corporate website, enhancing transparency on climate- and nature-related risks and opportunities across its operations and value chain. The climate risk was formally integrated into the Enterprise Risk Register, while the TNFD assessment identified water availability as a key nature-related risk across Thailand, Vietnam and Cambodia, supporting targeted mitigation measures to strengthen long-term business resilience.

This work is commercially as well as reputationally relevant. The water availability and rainfall exposure identified in the TNFD assessment is the same exposure that drives cassava supply and root cost. The nature-related risk programme and the raw material strategy address the same underlying problem. The Company has outlined the mitigation measures already carried out in that significantly lower the impact of such risks to its business.

Verified disclosure

During Q3/2026, the Company strengthened its sustainability governance and disclosure practices through participation in the CDP disclosure covering Climate Change, Water Security and Forests, and continued its engagement in the 2026 FTSE Russell ESG assessment and EcoVadis. The Company also continued to enhance the credibility of its environmental disclosures through independent greenhouse gas verification and carbon footprint of product (CFP) initiatives in accordance with the ISO 14067 standard, including certification of two native cassava starch products at Thai Nam Tapioca during the quarter.

Farmer development

The Company's contract farming and crop-monitoring programmes serve both sustainability and an operational purpose. Satellite crop scans and field sourcing teams support yield improvement and disease management at farm level, while giving the Company earlier visibility of supply than the market, which directly informs commercial, procurement and production planning for the supply chain and profit optimization.

Pride and Success of 9M/2026

FTSE RUSSELL score 3.8, outperforming national averages with a perfect 5.0 in Governance

Received **ISO 14064-1** and **CFO Label**

Earned **CDP 2025** ratings of **B- rating for Climate Change**, C for Forests, and B- for Water Security

TWFN, TDC, TN received **ISO 14067** and **CFP Label for total 9 SKUs**



Won **gold level for Excellence in Talent Management** at the HR Excellence Awards 2025

Recognized for the **ESG turnaround list 2026** by Thaipat Institute



Received **the CSR-DIW Continuous Award 2025** from the Department of Industrial Works



Received **Thai FDA Quality Award 2026**, Outstanding Food Establishment

Business Outlook and Strategy for 2027

Full year 2026

For the full year 2026 the Company expects to deliver **healthy growth in net profit**. Q4 carries the full effect of the selling price adjustments implemented in September and October, which to date have not reduced sales volume. The Company will closely manage inventory and working capital to support operational requirements and maintain liquidity.

Looking ahead to 2027

The Company will focus on translating its investments in Food and Specialty Ingredients into commercial growth and improved profitability.

- **Food Business:** Growth initiatives will focus on new product development, convenient meal solutions and broader market reach across domestic and export channels. The Company will continue to develop products tailored to local consumer preferences, including opportunities within its Vietnam food operations, while managing product pricing and input costs to support profitability.
- **Well-Grow integration:** Integration priorities will include knowledge transfer, operational continuity and joint product development, with additional commercial opportunities pursued progressively. Well-Grow's sauce, seasoning and formulation expertise will complement the Company's texture capabilities, supporting the development of more complete food solutions.

- **Specialty Ingredients and premix:** The Company will continue expanding from specialty starches into intermediate blends and application-specific premix solutions. New HVA capacity and China Premix operations are expected to ramp up during 2027, with a focus on customer qualification and building sales volumes. Profit contribution will depend on the pace of commercial adoption and production utilization, with fuller benefits anticipated in the medium term.
- **Native Starch:** The business will continue to be managed for stability and cash generation with production decisions taken on contribution margin and selling prices aligned to raw material costs.
- **China:** The Company will focus on differentiated food applications supported by local technical capabilities, while remaining responsive to market demand and competitive conditions.

Selective inorganic growth

Alongside organic investment, the Company will continue to evaluate selective acquisition opportunities that strengthen the Food and Specialty Ingredients platform. The Well-Grow transaction illustrates the approach, a long-standing partner whose formulation capability would have taken the Company several years to build, acquired at a disciplined valuation and integrated into an existing commercial relationship. The Company applies consistent criteria of strategic fit, complementary rather than duplicative capability, and valuation discipline, while also assessing expected returns, integration requirements and funding needs, taking into account existing investment commitments and working capital requirements, and will disclose any transaction reaching a material stage in accordance with the rules of the Stock Exchange of Thailand.

2027 will be a ramp up year

Contributions from these initiatives are expected to develop progressively, reflecting customer qualification, commercial adoption and production ramp-up, with fuller benefit anticipated in 2028. The Company considers it important to set this expectation clearly. The capital deployed during 2026 is intended to change the earnings profile of the Group. Working capital management and the sequencing of capital expenditure will remain priorities as the Company balances growth investment with cash requirements during the ramp-up period.

Three factors under close watch

Across its operations, the Company will closely monitor three key external factors.

- **Market conditions:** Customer demand, competitive dynamics and the pace at which selling prices can continue to track raw material costs.
- **Geopolitical developments:** Energy prices, freight rates and packaging costs, and their effect on landed cost in export markets.
- **Climate risk:** Rainfall and crop outcomes across Thailand, Cambodia and Vietnam, monitored through satellite crop scanning and the Company's field sourcing network.

In each case the response is the same operating discipline applied through 2026, which is to source across regions, coordinate purchasing and selling arrangements, and adjust plant operations on contribution margin.