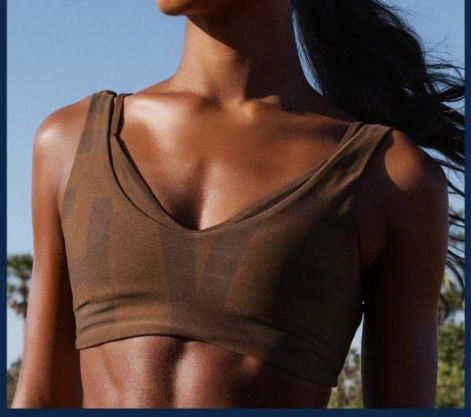
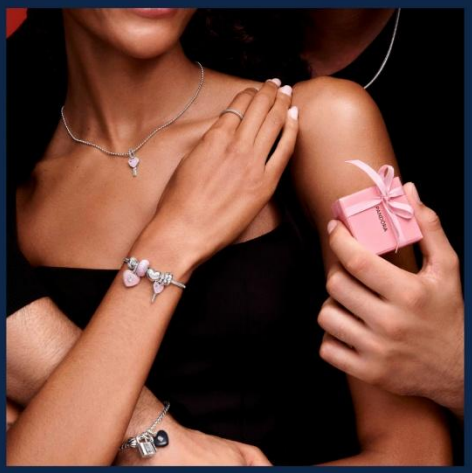










Creating
and Delivering
Meaningful
Lifestyle







Management Discussion and Analysis

Quarter 3/2026



TANACHIRA

Tanachira Retail Corporation Public Company Limited

Executive Summary

For the operating performance in Q3/2026, Tanachira Retail Corporation Public Company Limited ("the Group" or "the Company") reported total revenue growth both year-on-year (YoY) and quarter-on-quarter (QoQ), in line with seasonal trends. Historically, the Group's Q3 revenue is lower than that of Q1 within the same year; however, Q3/2026 revenue surpassed Q1/2026 levels, reflecting that the Group has moved past its two-year revenue trough. In comparison, Thailand's Private Consumption Index (PCI) indicated sluggish overall private consumption growth in Q3/2026, averaging 0.4% to 3.9% YoY. Consumption began showing signs of deceleration from late Q1 into early Q2 due to the conflict in the Middle East that started in late February and was further weighed down by flooding in late Q3. Nevertheless, the Group's Q3/2026 revenue performance remained resilient and notably outperformed broader market indicators. Revenue from sales and services grew in line with targets at 14.1% YoY compared to Q3/2025, primarily driven by domestic operations, which expanded by 17.1% YoY. This domestic growth was supported by continued strong performance in e-commerce channels alongside revenue expansion across all four business segments. Meanwhile, international revenue in Q3/2026 edged down by 1.5% YoY compared to Q3/2025, mainly attributable to two factors: (1) a strategic shift for the HARNN brand in China to focus exclusively on profitable online sales channels; and (2) the non-renewal of a lease agreement for one MARIMEKKO store in Singapore, both of which weighed on YoY international revenue performance.

For the first nine months of 2026 (9M/2026), the average Private Consumption Index (PCI) recorded moderate growth, averaging 0.4% to 6.0% YoY. Similarly, the Group's operational performance notably outperformed broader market benchmarks. Total revenue from sales and services, encompassing both domestic and international operations, grew by 10.3% YoY, while net profit attributable to the Group reached THB 44.2 million, representing a growth of 7.5% YoY. This underscores the Group's ability to drive Earnings Per Share (EPS) growth, which remains management's primary objective for 2026.

Figure 1 **Private Consumption Index, YoY** (Source: Bank of Thailand)

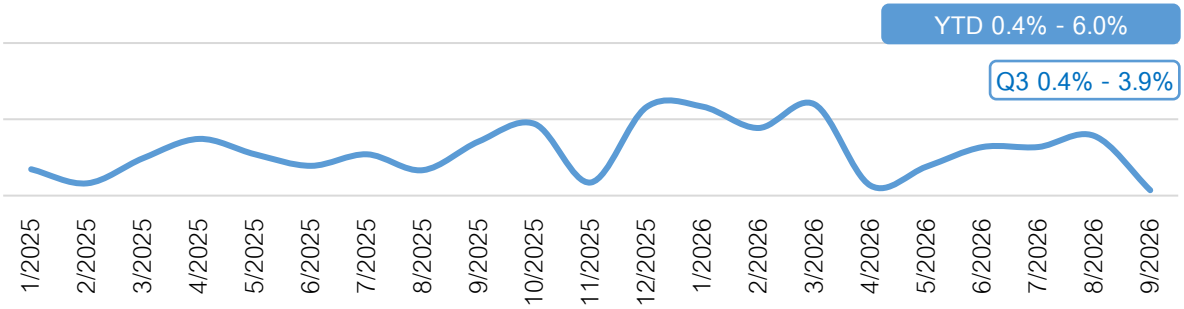


Figure 2 **Revenue by Country (after Eliminating Related Party Transaction)**

Unit: Million THB	9M/2025*	9M/2026	Change	% Change
China	83	101	18	22.0%
Singapore	57	69	12	21.7%
Other countries**	38	39	1	2.1%
Thailand	1,171	1,276	104	8.9%

Note: *Revenue in local currency converted to THB with 9M/2026 average exchange rate

Note: ** Other countries include Vietnam and Japan.

In 9M/2026, despite geopolitical tensions starting in late Q1 and continuing into Q2, as well as flooding in Q3—which adversely impacted energy costs, logistics, and target consumer sentiment, thereby weighing on the Group's revenue—the Group still outperformed the same period last year. Total revenue grew by 10.3% YoY (with Q3 revenue growing by 14.1% YoY), while net profit attributable to the Company increased YoY. This bottom-line growth was driven by improved performance in international operations that significantly narrowed losses, higher profitability from e-commerce channels, and more efficient expense management. Specifically, operational restructuring in international businesses drove sustained revenue growth alongside tighter cost control. Furthermore, income tax expenses decreased YoY due to reduced non-deductible expenses and higher tax-exempt income. Other income also increased YoY, primarily driven by higher gains from effective foreign exchange risk management compared to the same period last year. Meanwhile, finance costs increased, predominantly from non-cash interest expenses and a slight rise in cash interest expenses resulting from investments in new store expansions over the past nine months.

Focusing specifically on Q3/2026, the Group's domestic Blended Same-Store Sales Growth (Blended SSSG) increased by 2.0%, clearly reflecting that the Group has moved past its two-year trough despite a highly challenging Thai economic environment and recurring natural disasters. This recovery was driven by three key factors: first, the Group's long-term, continuous brand-building efforts, which have steadily expanded its base of followers and active users; second, the capabilities of its workforce, as management continuously emphasizes organizational restructuring to adapt to evolving economic conditions; and third, the loyalty program via TANACHIRA CLUB, which serves as a key growth engine by leveraging big data to cross-promote brands and enhance their appeal to an expanding member base. Together, these drivers propelled domestic revenue growth of 17.1% YoY in Q3/2026, with all four business segments performing well. Meanwhile, the e-commerce segment continued to deliver standout SSSG, supported by the team's effective merchandising and targeted marketing spend to drive sales efficiently. However, in Q3/2026, the Group's net profit decreased by THB 4.3 million, or 32.8% YoY. This decline was primarily attributable to higher cost of goods sold resulting from significant Thai Baht depreciation, which compressed the Group's gross profit margin by 2.0% compared to the previous year. Given the current economic climate, management has not yet been able to pass on these higher imported merchandise costs through retail price increases. Although management effectively contained

operating expense growth, supported by lower income tax expenses and higher other income, these positive factors were insufficient to offset the margin pressure and achieve YoY net profit growth.

Figure 3. **Consolidated Domestic Revenue by Business Group Offline and Online Channels**

Unit: Million THB	9M/2025	9M/2026	Change	% Change
Lifestyle (Excluding Online)	578.7	581.0	2.4	0.4%
Fashion (Excluding Online)	271.1	301.8	30.7	11.3%
Beauty & Wellness (Excluding Online/Export)	125.4	140.8	15.4	12.3%
Food & Beverage (Including Delivery)	90.2	91.3	1.0	1.1%
Online (Domestic)*	100.8	154.9	54.1	53.7%

*Brands with Online Domestic Sales are PANDORA, CATH KIDSTON, MARIMEKKO and HARNN

All four of the Group's business segments continued to withstand the contraction in purchasing power caused by various adverse events, reflecting two core strengths. First, the capability of the Group's workforce, as brand teams deeply understand the importance of preserving Brand Economic Franchise while simultaneously building competitiveness to ensure target customers continue purchasing and remain loyal to the brands. Second, the Group's ability to diversify risks away from reliance on a single business segment, alongside pivoting its operational approach so that e-commerce operations play a vital role in sustaining revenue growth. Together, these factors provide the Group with strong operational resilience to deliver solid performance amid heightened economic volatility.

Meanwhile, the development of Digital Transformation initiatives aimed at enhancing the Group's long-term competitiveness has progressed well in line with targets. Key milestones include the investment in and full rollout of the new Point-of-Sale (POS) system across all brands, as well as the implementation of the SAP S/4HANA ERP system, which remains on schedule to go live in early January 2027. Additionally, the Customer Relationship Management (CRM) platform under TANACHIRA CLUB, launched in Q3/2025, has continued to operate seamlessly and effectively through the present.

In Q3/2026, the Group continued to strengthen customer relationships through TANACHIRA CLUB, focusing on driving repeat purchases and cross-brand shopping within the Group's portfolio to generate sustainable long-term revenue growth from Customer Lifetime Value. As of September 30, 2026, TANACHIRA CLUB recorded 125,619 cumulative registered members, of whom 68,672 members (54.7%) were active repeat purchasers, with an average spending of THB 8,638 per member.

For Q3/2026, compared to the previous quarter (QoQ), key performance highlights of the TANACHIRA CLUB loyalty program are detailed as follows:

1. Member sales increased to THB 197.06 million, representing a 3.18% QoQ growth and accounting for 46.42% of total sales, up from 42.10% in the previous quarter. This reflects the growing significance of member-driven sales, whose contribution to the Group's total revenue has continued to expand.

2. Active purchasing members rose to 25,171 members, with an average purchase frequency of 1.28 times per member, up 16.36% QoQ. Meanwhile, the average transaction value stood at THB 6,120. Although the average transaction value declined by 10.47% QoQ due to seasonal factors following the conclusion of the mid-year End of Season Sale, the higher purchase frequency reflects growing member engagement and presents an opportunity to introduce initiatives aimed at increasing basket size in subsequent periods.

3. Cross-segment shopping continued to grow steadily, with combined cross-segment sales increasing by 35.42% QoQ to THB 10.82 million, and cross-segment purchasing members rising by 18.55% QoQ to 377 members. The primary segment pairing was Lifestyle and Fashion, generating THB 8.80 million in sales, while Fashion and Beauty & Wellness surged by 197.24% QoQ to THB 1.45 million, underscoring strong potential for cross-promoting products and services across business segments. For segment pairings that have not yet recorded joint spending this quarter, the Group sees opportunities to develop joint promotions and privileges in Q4 by linking gifting, self-care, and dining experiences during the festive season to encourage greater cross-brand consumption within the Group's ecosystem.

Figure 4. **Member Performance Overview (Q2/2026 vs. Q3/2026)**

Item	Q2	Q3	% Change
Member Sales (THB Million)	190.99	197.06	+3.18%
Member Sales Proportion (%)	42.10%	46.42%	+10.26%
Active Purchasing Members (Persons)	23,671	25,171	+6.34%
Purchase Frequency (Times)	1.10	1.28	+16.36%
Average Transaction Value (THB)	6,836	6,120	-10.47%

Figure 5 **Member Cross-Business Group Purchasing: Q2/2026 vs. Q3/2026**

Business Segment	Q2		Q3		% Change
	Members (Persons)	Sales (THB Million)	Members (Persons)	Sales (THB Million)	
Lifestyle + Fashion	260	7.13	293	8.8	+23.42%
Lifestyle + Beauty & Wellness	39	0.37	50	0.57	+54.05%
Fashion + Beauty & Wellness	19	0.49	34	1.45	+197.24%
Total	**318**	**7.99**	**377**	**10.82**	**+35.42%**

When evaluating the growth of international operations, which management prioritizes as a key long-term growth driver for the Group—particularly through the expansion of the HARNN brand—the Group continues to progress in line with its strategic plan. Notably, the HARNN brand in China has delivered solid performance, supported by operational foundation designed to support sustainable long-term growth.

Figure 6 **HARNN Revenue Development Overseas (after Eliminating Related Party Transaction)**

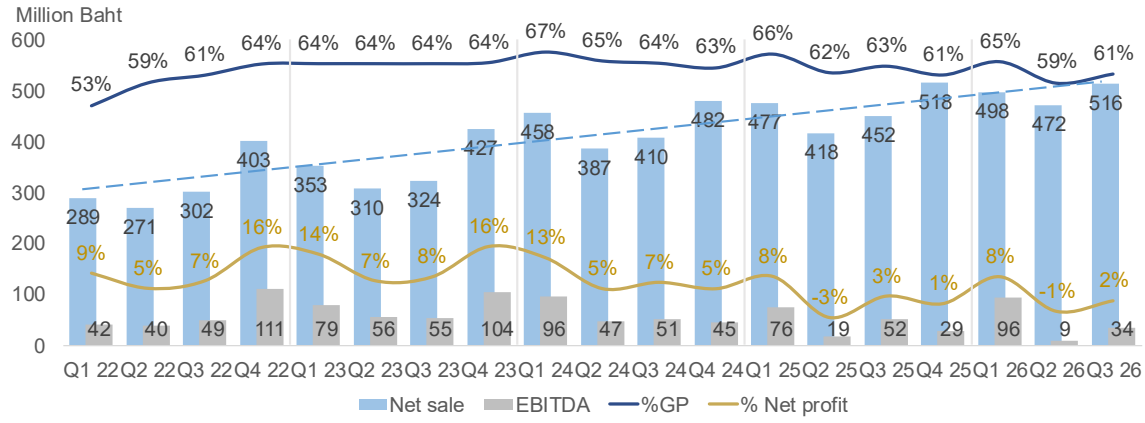
Unit: Million THB	9M/2025*	9M/2026	Change	% Change
Thailand	137.7	158.5	20.8	15.1%
Thailand (Excluding Cross-border E-commerce)	137.5	158.5	21.0	15.3%
Cross-border E-commerce	0.2	-	-0.2	-100.0%
China (Including Cross-border E-commerce)	82.9	101.2	18.3	22.0%
Other countries**	34.7	33.9	-0.8	-2.3%
Total	255.3	293.6	38.3	15.0%

Note: *Revenue in local currency converted to THB with 9M/2026 average exchange rate

Note: ** Other countries include Singapore, Vietnam and Japan.

The quarterly performance overview, summarized financial results, and breakdown by domestic and international operations—as illustrated in the following figures—demonstrate continuous revenue growth and positive operating momentum. Expansion in international operations serves as a key pillar for business scaling and provides a solid foundation for sustainable future revenue generation. Meanwhile, Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) in Q3/2026 improved year-on-year (YoY), primarily driven by higher revenue.

Figure 7 **Quarterly Performance**



Note: EBITDA includes rental expenses as part of operating expenses for historical comparison purposes.

Figure 8. Summary Operating Results

Unit : THB Million	Q3/25	Q2/26	Q3/26	%YoY	%QoQ	9M/25	9M/26	%YoY
Revenues	451.7	471.9	515.6	14.1%	9.3%	1,346.7	1,485.0	10.3%
Gross Profit	286.1	278.0	316.0	10.5%	13.7%	861.0	915.0	6.3%
EBITDA	113.8	69.2	119.2	4.7%	72.3%	344.3	337.6	-2.0%
Net Profit for the Company	13.3	-4.9	9.0	-32.8%	284.5%	41.1	44.2	7.5%
Gross Profit Margin (%)	63.3%	58.9%	61.3%	-2.0%	2.4%	63.9%	61.6%	-2.3%
EBITDA margin (%)	25.2%	14.7%	23.1%	-2.1%	8.5%	25.6%	22.7%	-2.8%
Net Profit Margin for the Company (%)	3.0%	-1.0%	1.7%	-1.2%	2.8%	3.1%	3.0%	-0.1%

Figure 8.1 Operating Results Summary: Domestic and Overseas (Q3/2025 vs. Q3/2026)

Unit : THB Million	Q3/25 Domestic	Q3/25 Overseas	Q3/25 Total	Q3/26 Domestic	Q3/26 Overseas	Q3/26 Total	%YoY Domestic	%YoY Overseas	%YoY Total
Revenue from Sales & Services	379	73	452	444	71	516	17.1%	-1.5%	14.1%
Other Income	13	-10	3	3	7	10	-74.8%	168.6%	214.9%
Profit before Interest and Tax	57	-27	30	36	-10	26	-37.0%	62.5%	-13.6%
EBIT margin (%)	15.1%	-37.8%	6.6%	8.1%	-14.4%	5.0%	-7.0%	23.4%	-1.6%

Figure 8.2 Operating Results Summary: Domestic and Overseas (9M/2025 vs. 9M/2026)

Unit : THB Million	9M/25 Domestic	9M/25 Overseas	9M/25 Total	9M/26 Domestic	9M/26 Overseas	9M/26 Total	%YoY Domestic	%YoY Overseas	%YoY Total
Revenue from Sales & Services	1,171	175	1,347	1,276	209	1,485	8.9%	19.3%	10.3%
Other Income	19	-8	11	7	17	24	-60.0%	308.5%	129.9%
Profit before Interest and Tax	160	-65	95	133	-41	92	-16.7%	36.3%	-3.3%
EBIT margin (%)	13.7%	-37.0%	7.1%	10.4%	-19.7%	6.2%	-3.2%	17.2%	-0.9%

Important Events in Q3/2026





Jul. 2026: The Company **welcomed the CEO and the executive management team of UNITED ARROWS from Japan on their visit to the new 3rd Concept Store in Thailand, located on the 2nd Floor, North Zone of Siam Paragon**. The Company **organized the grand opening event for this new UNITED ARROWS store**, with Ink Waruntorn and Tay Tawan participating as celebrities representing the new generation to add vibrancy to the event. The Company was also honored by the presence of senior executives from ONESIAM shopping center who joined to express their congratulations. Under the concept “New Store, New Brands, New Styling Possibilities,” this new branch offers a full range of men's and women's apparel, marked by the official launch of ROKU (meaning “Number 6”) in Thailand. It brings together fashion from all 6 brands and selected clothing lines from Japan in one location. Based on UNITED ARROWS' philosophy of interpreting Western fashion through a unique Japanese perspective, it delivers timeless classics, taste, and meticulous attention to every detail, creating a unique style that allows everyone to discover and choose what is right for themselves.



The Company **successfully launched the new Gordon Ramsay Street Burger outlet at Again Pattaya**. The new branch offers world-class signature burgers crafted by Chef Gordon Ramsay, featuring premium ingredients such as imported Australian Angus beef, alongside an exclusive menu available only at the Pattaya location, the Soft Shell Crab Burger. Since its opening, Gordon Ramsay Street Burger at Again Pattaya has received a strong market response. The Company expresses its sincere appreciation to all domestic and international tourists for their robust support. This expansion underscores the Company’s strategic vision to introduce global brands that deliver innovative dining experiences, elevate accessible lifestyles, and connect consumers through quality, creativity, and profound brand understanding.



The Company **proudly announces Toey Jarinporn Joonkiat as the first-ever Brand Ambassador for Marimekko Thailand,** marking a significant milestone that reflects Marimekko's philosophy of bringing joy, creativity, and inspiration into everyday life. The launch event, held at Mega Bangna shopping complex, was honored by the presence of senior executives from Mega Bangna. In tandem with this announcement, the Company officially debuted the Pre-Fall 2026 Collection. The collection highlights the prominent 'Kukasta kukkaan' print (meaning "from flower to flower"), created by Finnish designer Erja Hirvi, and features a wide range of Ready-to-Wear garments and items from the Home Collection.



Aug. 2026: The Company proudly celebrates Marimekko's success on the regional stage. **Marimekko launched its "Art of Flowers" Pop-up in the heart of Orchard Road, Singapore**, in August 2026 — a celebration of art and nature captured through the brand's iconic prints. This milestone reflects Tanachira Group's vision as a leading force behind world-class lifestyle brands, bringing creative 7experiences closer to people everywhere.



TANACHIRA Group **brought together unforgettable moments through a strategic cross-brand synergy between HARNN Wellness & Hospitality and Bread Street Kitchen & Bar**. Valued customers were invited to immerse themselves in a curated journey that harmoniously combined the science of scent with a refined dining experience. Highlights included a DIY Five Elements Perfume Oil Workshop, enabling participants to create bespoke fragrances tailored to their preferences, followed by an exclusive dining session at Bread Street Kitchen & Bar to celebrate moments of joy and shared experiences.





Sep. 2026: **LIVE! Activewear,** a premium Brazilian activewear brand managed by TANACHIRA Group, continued to strengthen the TeamLIVE! Community through lifestyle and well-being initiatives designed to foster meaningful connections. The brand **partnered with Physique57 to host an energizing Sculpt Workout session** under a Blue, Green & White color concept—symbolizing vitality, freshness, and positive energy. Additionally, **LIVE! Activewear celebrated its 1st Anniversary with an exclusive Trampoline class at Flow Studio,** inviting TeamLIVE! members to experience a dynamic "Jump, Bounce & Move" workout that reinforced brand loyalty and community engagement.



PANDORA, a world-renowned Danish jewelry brand managed by TANACHIRA Group, **hosted an exclusive preview of its latest Rose Gold Collection for key clients, featuring the "Rose Gold Moments" workshop** where guests crafted personalized jewelry boxes. This initiative was designed to strengthen relationships with valued customers while embodying PANDORA's core personalization concept. Through this event, TANACHIRA Group reinforced its commitment to delivering meaningful experiences across every significant milestone in customers' lives.

Analysis of Statement of Income

Tanachira Retail Corporation Public Company Limited would like to report the operating results of the consolidated financial statements for the third quarter ended September 30, 2026 (Q3/2026), compared to the same period of 2025 (Q3/2025). Revenue from sales and services reached THB 515.6 million, representing an increase of 14.1% YoY, while net profit attributable to owners of the parent stood at THB 9.0 million, decreasing by 32.8% YoY (compared to revenue from sales and services of THB 451.7 million and net profit attributable to owners of the parent of THB 13.3 million in Q3/2025). The revenue growth was primarily driven by domestic operations. Conversely, net profit declined year-on-year (YoY) due to higher imported merchandise costs resulting from Thai Baht depreciation, which compressed the gross profit margin by 2.0 percentage points (or 2.0%) compared to the previous year. Nevertheless, the Group benefited from higher other income YoY, supported by both realized and unrealized foreign exchange gains, which partially mitigated—though did not fully offset—the impact of elevated import costs.

Compared to Q2/2026, which recorded revenue from sales and services of THB 471.9 million and a net loss attributable to owners of the parent of THB 4.9 million, both revenue and profitability improved significantly in Q3/2026 (returning to a net profit), reflecting that the Group has decisively moved past the year's trough.

For the first nine months of 2026 (9M/2026), compared to the same period of 2025 (9M/2025), the Group recorded revenue from sales and services of THB 1,485.0 million, representing a growth of 10.3% YoY, and net profit attributable to owners of the parent of THB 44.2 million, increasing by 7.5% YoY. This compares to revenue from sales and services of THB 1,346.7 million and net profit attributable to owners of the parent of THB 41.1 million in 9M/2025, as detailed in the table below:

Figure 9 **Operating Result of the Company**

Unit : THB Million	Q3/25	Q2/26	Q3/26	%YoY	%QoQ	9M/25	9M/26	%YoY
Revenue from Sales & Services	451.7	471.9	515.6	14.1%	9.3%	1,346.7	1,485.0	10.3%
Cost of Sales & Services	-165.6	-193.9	-199.6	20.5%	2.9%	-485.7	-570.0	17.4%
Gross Profit	286.1	278.0	316.0	10.5%	13.7%	861.0	915.0	6.3%
Selling and Distribution Expenses	-193.3	-200.3	-231.2	19.6%	15.4%	-579.4	-637.7	10.0%
Administrative Expenses	-66.2	-76.2	-69.0	4.2%	-9.5%	-196.9	-209.6	6.4%
Other Income	3.1	4.2	9.8	214.9%	135.7%	10.5	24.2	129.9%
Profit before Interest and Tax	29.8	5.7	25.7	-13.6%	351.8%	95.1	91.9	-3.3%
Interest	-7.1	-7.6	-11.0	54.7%	45.3%	-21.9	-27.5	26.0%
Profit before Income Tax Expenses	22.6	-1.9	14.7	-35.0%	880.2%	73.2	64.4	-12.1%
Corporate Income Tax	-9.5	-5.2	-6.8	-28.9%	29.9%	-36.4	-24.3	-33.1%
Net Profit	13.1	-7.1	8.0	-39.4%	212.4%	36.9	40.1	8.6%
Net Profit for the Company	13.3	-4.9	9.0	-32.8%	284.5%	41.1	44.2	7.5%

1. Revenue from sales

The Company' revenue from sales consisted of sales through two main distribution channels i.e. offline and online channel. The offline channel consisted of (1) Concept store (2) Shop in shop and (3) Other offline channel i.e. B2B, event and sales through distributors. Revenue of the Company can be categorized into Business Group including (1) Lifestyle, (2) Fashion, (3) Beauty and Wellness, and (4) Food and Beverage.

For Q3/2026, the Group recorded revenue from sales and services of THB 515.6 million, +14.1% YoY. This overall growth was primarily driven by domestic revenue, which expanded solidly across all 4 business groups, alongside continued strong performance in e-commerce channels. In Q3/2026, domestic and international operations accounted for 86% and 14% of total revenue, respectively. International revenue stood at THB 71.0 million, -1.5% YoY, mainly from: (1) a strategic shift for the HARNN brand in China to focus on profitable online sales channels; and (2) the non-renewal of a lease agreement for one MARIMEKKO store in Singapore. Revenue from international subsidiaries progressed in line with the strategic plan to establish a key new revenue base, diversify away from reliance on existing core brands, and reduce dependence on domestic revenue.

Compared to Q2/2026, total revenue increased by 9.3% QoQ. This growth was partly attributable to the Group's normal seasonal pattern, where Q3 revenue typically surpasses that of Q2 within the same year due to lower seasonal consumer demand for products and services in Q2 compared to Q3 annually, and partly driven by the team's strong execution in sustaining continuous sales growth.

The Group's international revenue grew across three core countries: China, Singapore, and Vietnam. In 9M/2026, China accounted for the largest share of international revenue, following the commencement of business operations there in mid-Q3/2024. The Group's distribution network in China is structured into three primary channels: (1) online channels, (2) wholesale distribution through provincial and local distributors, and (3) physical retail stores (Concept Stores). Since launching product distribution in late August 2024, HARNN products have continuously expanded and are now available across more than 636 points of sale —comprising cosmetic chain stores, drugstores, and specialty stores—through national retail chains as well as provincial and local distributors. This footprint spans 17 provinces, autonomous regions, and municipalities, namely: Guangdong, Henan, Heilongjiang, Jiangsu, Zhejiang, Anhui, Shanxi, Shandong, Jiangxi, Shaanxi, Hubei, Hunan, and Yunnan provinces; the Tibet, Xinjiang, and Inner Mongolia autonomous regions; and Shanghai municipality. Also, there are 13 HARNN Concept Stores, consisting of 12 distributor-operated stores and 1 self-operated store. Online channels, which serve as the primary revenue driver in China, continued to generate strong sales across major e-commerce platforms, cross-border e-commerce channels (rights transferred from HARNN Thailand), and livestreaming platforms, such as Tmall, Xiaohong Shu, Douyin, Kuaishou, and JD.

In Singapore, revenue is primarily driven by Marimekko, a brand with strong potential for generating a high average transaction value and catering to the daily lifestyles of both tourists and local consumers. In Q2/2026, the Company opened an additional Marimekko store at Jewel Changi Airport. Consequently, in Q3/2026, Singapore operations successfully elevated their total revenue base YoY, despite the closure of one Marimekko

store toward the end of the quarter due to a lease non-renewal. Meanwhile, sales performance for the HARNN brand in Singapore has progressed in a positive direction. Although operating losses in Singapore narrowed substantially during the 9M/2026 compared to the previous year, sales revenue in Singapore still requires continuous growth to enable the overall Singapore operations to reach breakeven as swiftly as possible.

Meanwhile, Vietnam generates most of its revenue from local consumers across both the HARNN and Cath Kidston brands. In late Q2/2026, the Company commenced sales of lifestyle products under its own UKILA Multi-brand Store retail concept, debuting with Chakolab, a highly popular drinkware brand. Currently, the Group operates a total of 12 points of sale across leading shopping malls in Ho Chi Minh City and Hanoi—comprising 5 HARNN stores, 4 Cath Kidston stores, and 3 UKILA stores. Furthermore, online sales generated through e-commerce platforms and livestreaming contribute a revenue share nearly equal to that of offline retail channels, supported by the Company's strong network of Key Opinion Leaders (KOLs). For the first nine months of 2026, total revenue in Vietnam increased by 9.3% YoY (11.8% YoY growth in local currency).

Sales in Japan focused on developing wholesale distribution and spa management services. Building on the strong brand recognition of HARNN among Japanese consumers, the Company achieved positive market reception in expanding product distribution through regional partners across various prefectures. This was complemented by targeted marketing efforts and the establishment of high service standards through spa management agreements for leading hotels in key tourist destinations. However, in Q3/2026 and 9M/2026, total revenue in Japan declined YoY due to the closure of the store at Hankyu Umeda in Osaka at the end of Q2/2025 following the expiration of its lease agreement. Nevertheless, the Company successfully expanded its online distribution channels—reflecting growing brand awareness and acceptance of HARNN—alongside securing recurring orders from participation in trade exhibitions.

The Group's international revenue contribution has demonstrated significant progression, rising from an average of 2% in 2023 to 8% in 2024, 13% in 2025, and 14% in Q3/2026. This expansion reflects increased investments in establishing new overseas operations since Q4/2023, such as expanding the Marimekko brand in Singapore and scaling the HARNN brand in China. Guided by a regional growth strategy executed alongside domestic operations and aimed at diversifying revenue concentration away from any single brand, a larger international revenue base will contribute to the Group's sustainable long-term profitability. While management recognizes that initial start-up phases for new international ventures naturally entail early-stage operating losses, the loss trajectory in international operations has narrowed continuously, showing clear improvement this year.

The revenue breakdown by business segment—encompassing both domestic and international operations—for 9M/2026 compared to the same period last year demonstrates an increased revenue contribution from the Beauty & Wellness segment. Within this segment, the HARNN brand's revenue share rose from 19% to 20% YoY, driven by higher sales across both domestic and international markets. Overall, HARNN's sales growth reflects the successful execution of its strategic plan to elevate brand popularity and expand international distribution channels, reducing reliance on inbound tourists to Thailand as in the past. The Fashion

segment's revenue share increased from 26% to 27% YoY, with all brands in the portfolio—namely Marimekko, GANNI, United Arrows, and MM6—achieving YoY growth. Meanwhile, the Lifestyle segment's share decreased from 48% to 46% YoY. Pandora recorded revenue growth supported by brand ambassador initiatives and online channel expansion through the launch of the Pandora TikTok Shop, whereas Cath Kidston saw a decline in total revenue due to the closure of certain unprofitable stores. Finally, the Food & Beverage segment's revenue share edged down from 7% to 6% YoY, primarily due to geopolitical factors adversely affecting target consumer spending; however, the segment delivered solid YoY growth in Q3/2026 driven by new store expansions.

Revenue from sales by distribution channel for 9M/2026, compared to the same period last year, demonstrates an increase in the revenue contribution from online channels from 12% to 16%, driven by standout sales growth across both domestic and international markets. Although the revenue share from Concept Stores decreased, it remained the largest contributor at 67%, which positively supports the Group's gross profit margin over the long term. Maintaining a high revenue share from Concept Stores aligns with the Group's marketing strategy and reflects a deep understanding of consumer purchasing behavior. The revenue share from department store (Shop-in-Shop) remained unchanged at 11%, whereas the share from other offline channels increased, primarily driven by wholesale revenue through distributors in China.

Figure 10 **Revenue structure by Business Group**

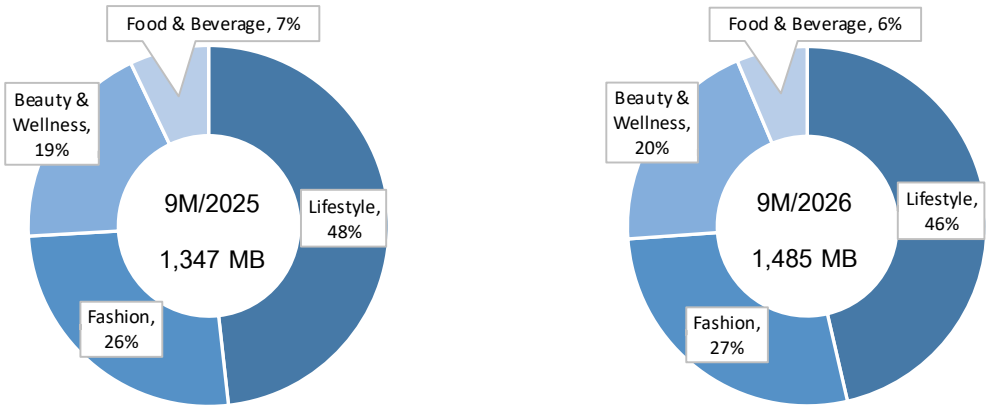


Figure 11 **Revenue structure by Distribution Channel**

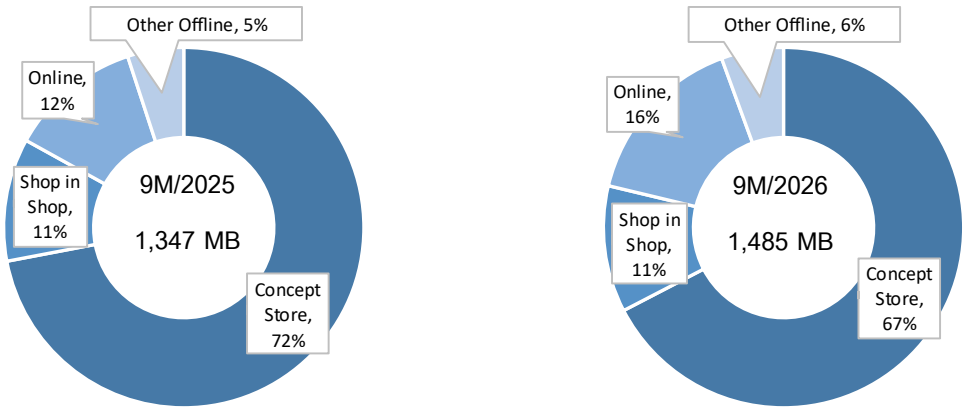
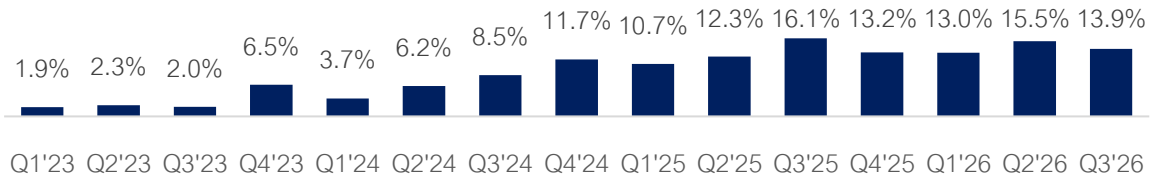
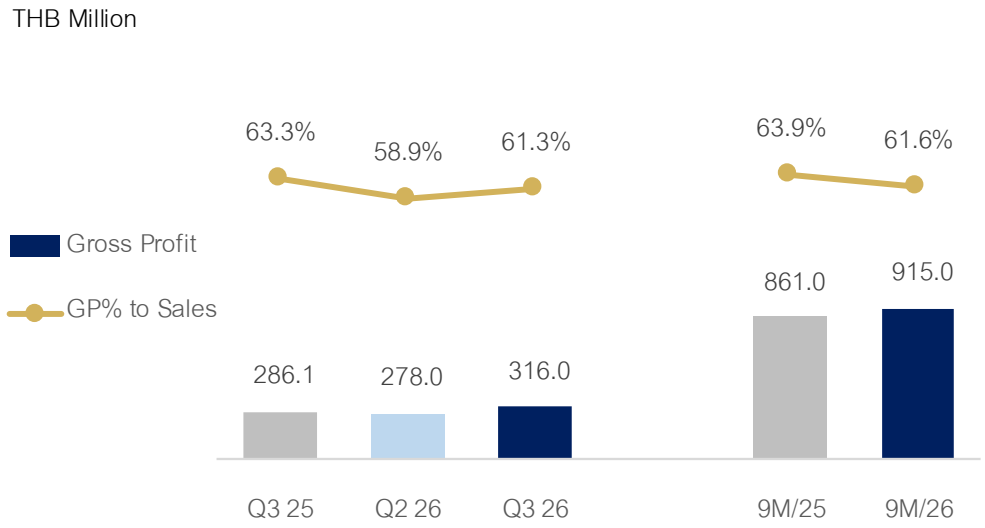


Figure 12 Revenue proportion from overseas compared to total revenue



2. Gross profit and gross profit margin

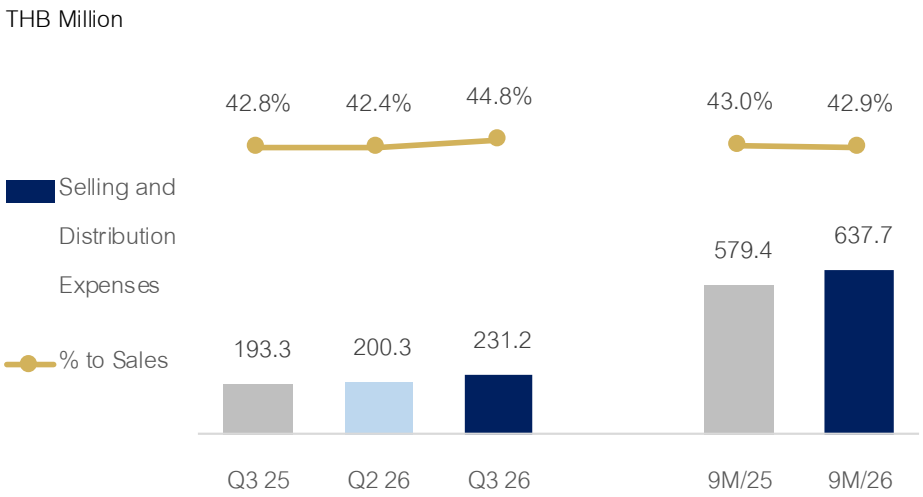


For Q3/2026, the Group recorded a gross profit of THB 316.0 million, representing an increase of THB 29.9 million, or 10.5% YoY, compared to the same period in 2025. The gross profit margins for Q3/2026 and Q3/2025 stood at 61.3% and 63.3%, respectively. The increase in gross profit was primarily driven by higher sales volume, whereas the contraction in gross profit margin resulted from higher imported merchandise costs due to Thai Baht depreciation. Nevertheless, the Group benefited from higher other income compared to the previous year, supported by both realized and unrealized foreign exchange (FX) gains, which partially mitigated—though did not fully offset—the impact of elevated import costs.

Compared to Q2/2026, gross profit in Q3/2026 increased in line with higher sales volume, while the gross profit margin expanded as Q2 was impacted by promotional discounts during the mid-year End of Season Sale.

For the first nine months of 2026, gross profit grew in line with higher sales volume year-on-year (YoY), whereas the gross profit margin decreased compared to the same period last year, primarily due to the impact of Thai Baht depreciation. Nevertheless, the gross profit margin remained within management's expectations. The Group places strong emphasis on brand building, enabling it to sustainably maintain a high gross profit margin over the long term. This performance reflects the Group's consistent commitment to offering value-adding lifestyle products and services, guided by an effective pricing strategy designed to preserve profit margins and avoid excessive promotional discounting across both domestic and international markets.

3. Selling and distribution expenses



Selling and distribution expenses comprise branch personnel expenses, rental expenses, depreciation and amortization, marketing expenses, commission expenses, branch utilities, and royalty fees.

For Q3/2026, the Group's selling and distribution expenses and its ratio to sales increased compared to the same period last year. This increase was primarily driven by business expansion, heightened marketing activities—including Brand Ambassador initiatives and related promotional events—as well as higher expenses associated with domestic and international store expansions YoY. Additional factors included an upward adjustment in sales incentive rates for front-line retail staff and higher royalty fees for the Gordon Ramsay restaurant business. When examining the quarterly net change in store count, the total number of stores began rising in line with revenue growth, while the rate of store expansion remained modest (Figure 13). This reflects management's stringent criteria for new store openings in Q3/2026, prioritizing locations with highly assured returns in accordance with the business plan, alongside concurrently rationalizing underperforming stores.

Compared to Q2/2026, selling and distribution expenses increased in line with higher sales volume. Furthermore, the selling and distribution expenses-to-revenue ratio in Q3/2026 rose due to heightened marketing activities, alongside upward adjustments in sales incentive rates and higher royalty fees for the Gordon Ramsay restaurant business resulting from new store openings.

For 9M/2026, selling and distribution expenses increased year-on-year (YoY), driven by higher marketing expenses and increased operating costs associated with a larger cumulative store network across both domestic and international markets. Nevertheless, the selling and distribution expenses-to-revenue ratio remained stable, reflecting stringent cost control, particularly within international operations.

When examining the quarterly net change in front-line retail staff (Figure 14), the trend aligns with the quarterly change in store count. However, new restaurant openings require a higher headcount per store compared to other business segments. Nevertheless, management remains committed to maintaining stringent, continuous cost control across the Group.

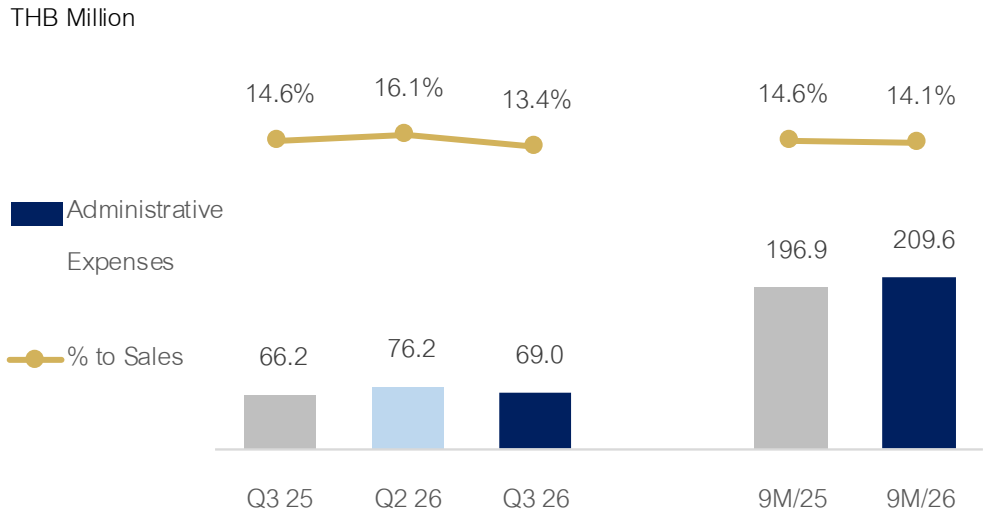
Figure 13 Number of Store (Domestic and Overseas)

End of	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
No. of Store	145	143	146	146	149	151	157
Amount Change YoY	8	2	5	-3	4	8	11
% Change YoY	6%	1%	4%	-2%	3%	6%	8%

Figure 14 Store Headcount (Domestic and Overseas)

End of	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Headcount: Selling	597	570	568	588	596	613	642
Amount Change YoY	87	64	40	-8	-1	43	74
% Change YoY	17%	13%	8%	-1%	0%	8%	13%

4. Administrative Expenses



Administrative expenses comprise office personnel salaries and benefits, consultancy and professional fees, depreciation and amortization relating to the head office, and office rental expenses.

For Q3/2026, the Group recorded a slight YoY increase in administrative expenses, primarily attributable to personnel-related expenses resulting from a higher cumulative headcount across both domestic and international operations. However, the administrative expenses-to-revenue ratio decreased YoY due to higher revenue. Notably, Q3/2026 administrative expenses included a store asset write-off of THB 1.1 million.

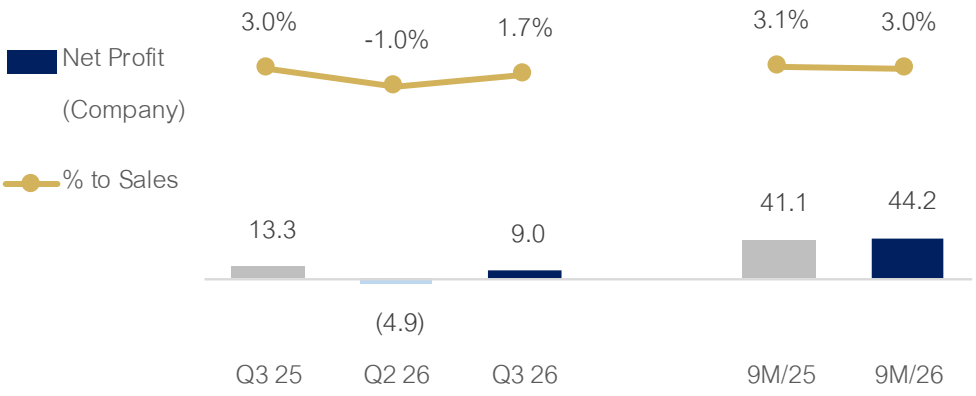
Compared to Q2/2026, both administrative expenses and the expenses-to-sales ratio decreased QoQ. This reduction was driven by stringent cost control, lower travel expenses, reduced professional fees and outsourced service fees, and the absence of office relocation expenses in China incurred in Q2/2026.

For 9M/2026, the Group recorded administrative expenses of THB 209.6 million, representing an increase of THB 12.7 million, or 6.4% YoY, compared to 9M/2025. This increase was primarily driven by a higher cumulative headcount across both domestic and international operations, office and premise-related expenses,

as well as depreciation and amortization. However, the administrative expenses-to-revenue ratio for 9M/2026 decreased compared to 9M/2025, reflecting stringent cost control aligned with business operations.

5. Net profit and net profit margin

THB Million



For Q3/2026, the Group recorded net profit attributable to the Company of THB 9.0 million, decreased THB 4.4 million compared to Q3/2025. This decline was primarily driven by higher imported merchandise costs resulting from significant Thai Baht depreciation, which compressed the Group's gross profit margin. Given the current economic environment, management has not yet been able to increase retail price. Although management effectively contained operating expense growth, supported by lower income tax expenses and higher other income, these positive factors were insufficient to offset the margin pressure and achieve YoY net profit growth. In Q3/2026, other income increased YoY, primarily due to higher gains from effective foreign exchange risk management compared to the same period last year. Finance costs increased, predominantly from non-cash interest expenses and a slight rise in cash interest expenses resulting from investments in new store expansions over the past nine months. Income tax expenses decreased YoY due to reduced non-deductible expenses and higher tax-exempt income.

Compared to Q2/2026, both net profit attributable to the Company and the net profit margin turned positive in Q3/2026, driven by higher sales, gross profit and stringent cost control aligned with business operations.

For 9M/2026, the Group recorded net profit attributable to the Company of THB 44.2 million, +7.5% YoY, with a net profit margin of 3.0%, which remained comparable to 9M/2025. This was primarily driven by revenue growth across both domestic and international operations, effective control of promotional discounts and operating expenses in line with revenue growth, as well as lower income tax expenses. The Group remains committed to scaling its operational base to support the long-term future growth of new ventures both domestically and internationally. Accordingly, management prioritizes executing international growth strategies during this initial expansion phase alongside domestic growth, particularly given the structural limitations on Thailand's long-term economic growth outlook.

6. Finance cost

In Q3/2026, interest on lease liabilities amounted to THB 5.6 million, accounting for 53.6% of total finance costs. Meanwhile, interest expenses on borrowings in Q3/2026 stood at THB 4.8 million, increasing by THB 1.9 million YoY, while interest expenses on borrowings for the first nine months of 2026 (9M/2026) increased by THB 5.0 million YoY.

7. Effective Tax Rate

Effective Tax Rate refers to the ratio of income tax expenses for the period recognized in the Statement of Comprehensive Income—comprising current income tax calculated in accordance with Revenue Department regulations and deferred income tax recognized in profit or loss—to accounting profit before income tax.

For the first nine months of 2026 (9M/2026), the Group's Effective Tax Rate (ETR) was higher than the statutory corporate income tax rate, yet decreased by 12% (or 12 percentage points) year-on-year (YoY) compared to the same period last year. This variance was primarily driven by differences between accounting profit and taxable profit, as well as the impact of permanent differences and temporary differences.

THB thousand

Item	Consolidated Financial Statements		Separate Financial Statements	
	YTD/2026	YTD/2025	YTD/2026	YTD/2025
EBT	64,387	73,239	81,175	122,711
Income tax	(24,335)	(36,351)	(9,399)	(25,598)
Effective tax rate	38%	50%	12%	21%
Statutory tax rate	20%	20%	20%	20%

The Group has implemented the following measures to manage and optimize its Effective Tax Rate (ETR):

1. Minimizing non-deductible tax expenses, such as tax penalties and surcharges.

2. Utilizing dividend tax exemptions in accordance with statutory conditions.

3. Leveraging additional tax deductions (expenses eligible for deduction of more than 100% under tax laws), such as employee training expenses and donations to public charitable organizations.

4. Reviewing expense recognition and provisions—such as employee benefits, allowance for obsolete inventories, and other accrued expenses—to ensure alignment with accounting standards and tax deductibility criteria.

5. Reviewing lease agreements and Right-of-Use (ROU) assets, along with related interest and depreciation expenses, to ensure accurate and complete recognition of deferred tax.

6. Regularly monitoring temporary differences and reversal schedules on a periodic basis to prevent inappropriate deferred tax recognition.

7. Reviewing the Effective Tax Rate (ETR) on a quarterly basis at both the individual entity and consolidated levels to analyze key variances and establish timely corrective measures.

8. Segmented Performance Report of the Group

In Q3/2026 and 9M/2026, compared to the same periods last year, the Lifestyle segment recorded YoY revenue growth, primarily driven by strong sales performance from the PANDORA brand, alongside incremental revenue from the addition of LIVE!, a premium activewear brand from Brazil whose first store commenced operations in mid-September 2025. From Q1 through Q3/2026, PANDORA's revenue growth was supported by Brand Ambassador initiatives, online channel expansion through the launch of the Pandora TikTok Shop, and internal operational enhancements across multiple functions to better meet customer demand. Meanwhile, Cath Kidston saw a YoY decline in sales due to a reduced store count; however, the brand's online channels continued to deliver standout growth.

The Fashion segment recorded revenue growth, with Marimekko in Singapore expanding through effective team management and the opening of an additional store at Jewel Changi Airport in Q2/2026. In Q3/2026, Singapore operations successfully elevated their total revenue base year-on-year (YoY), despite the closure of one Marimekko store toward the end of the quarter due to a lease non-renewal. Meanwhile, all fashion brands in Thailand—namely GANNI, United Arrows, MM6, and Marimekko—achieved YoY growth despite ongoing headwinds from geopolitical tensions and flooding in Bangkok, which adversely impacted energy costs, logistics, and target consumer sentiment. Overall segment profitability improved, driven by stronger performance in Singapore through higher revenue and significantly more efficient cost management, which enabled operating losses to narrow continuously.

The Beauty & Wellness segment delivered solid revenue growth, driven by international expansion—particularly in China and Vietnam—where products received positive market reception. Although operations in China still recorded a slight operating loss, overall performance improved markedly following the resolution of operational inefficiencies that had previously weighed on profitability. Furthermore, domestic revenue increased year-on-year (YoY), supported by strong operational readiness, consistent targeted marketing, and continuous team development. Consequently, the Beauty & Wellness segment achieved standout YoY profit growth. Notably, in Q3/2026, international revenue edged down due to a strategic shift toward generating higher-quality revenue, thereby avoiding excessive selling expenses that would otherwise erode profitability.

The Food & Beverage (F&B) segment generates revenue primarily from brands under the Gordon Ramsay portfolio. Sales in 9M/2026 declined, mainly from Q1 performance amid broader macroeconomic headwinds that adversely impacted target consumer spending. However, in Q3/2026, segment revenue delivered standout growth driven by the opening of Street Burger in Pattaya, while Same-Store Sales Growth contraction narrowed significantly to -3.0% (turning positive at +5.0% in July and +2.0% in August, respectively). Nevertheless, the F&B segment continued to record an operating loss, mainly attributable to the business not yet reaching breakeven scale, alongside a YoY decline in international tourist footfall. In response, management has implemented targeted marketing initiatives, introduced additional value-for-money menu offerings, enhanced brand communication capabilities, and continuously refined customer engagement strategies to drive traffic.

Figure 15 Segment Revenue and Operating Profit (Loss) Table: Domestic and Overseas Operations for Q3/2025 and Q3/2026

Total Company	Lifestyle		Fashion		Beauty & Wellness		Food & Beverage		Consolidate	
Unit : THB Million	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26
Revenue from Sales & Services	203	229	120	151	99	98	29	37	451	514
Other Income	7	18	2	5	0	3	-4	0	2	9
Profit before Interest and Tax	36	28	11	13	-2	8	-12	-14	30	26
EBIT margin (%)	17.6%	12.1%	9.1%	8.4%	-2.0%	8.3%	-40.9%	-38.5%	6.6%	5.0%

Domestic	Lifestyle		Fashion		Beauty & Wellness		Food & Beverage		Consolidate	
Unit : THB Million	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26
Revenue from Sales & Services	200	225	103	127	49	56	27	36	379	444
Other Income	7	18	2	1	0	1	-4	0	13	3
Profit before Interest and Tax	36	26	14	15	3	17	-10	-12	57	37
EBIT margin (%)	18.1%	11.4%	13.3%	12.1%	6.7%	29.7%	-37.5%	-33.1%	15.1%	8.3%

Overseas	Lifestyle		Fashion		Beauty & Wellness		Food & Beverage		Consolidate	
Unit : THB Million	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26	Q3/25	Q3/26
Revenue from Sales & Services	3	4	18	23	50	42	2	1	73	70
Other Income	0	1	0	4	1	2	0	0	-10	7
Profit before Interest and Tax	0	2	-3	-3	-5	-9	-2	-2	-27	-10
EBIT margin (%)	-11.6%	44.4%	-15.7%	-11.7%	-10.4%	-20.4%	-94.1%	-269.8%	-37.8%	-14.6%

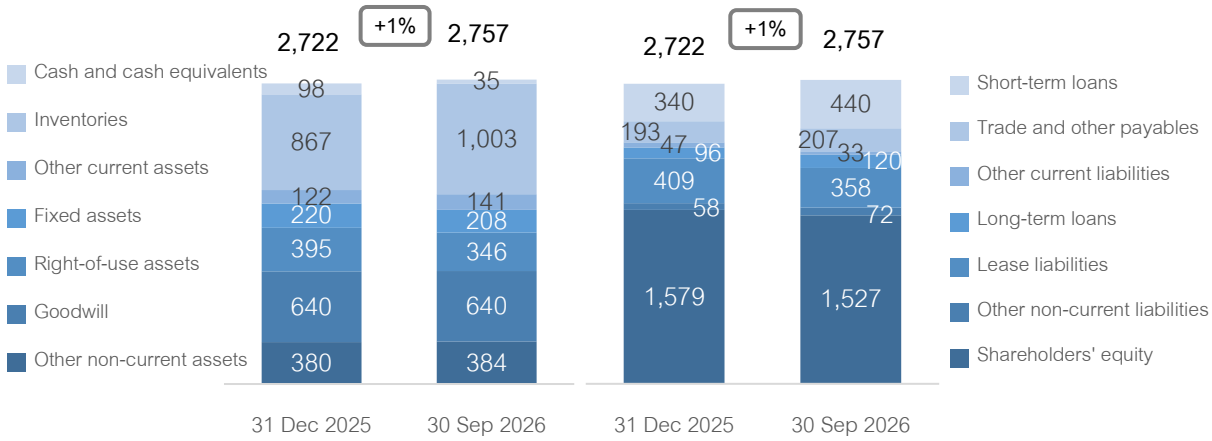
Figure 16 Segment Revenue and Operating Profit (Loss) Table: Domestic and Overseas Operations for 9M/2025 and 9M/2026

Total Company	Lifestyle		Fashion		Beauty & Wellness		Food & Beverage		Consolidate	
Unit : THB Million	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26
Revenue from Sales & Services	649	689	348	408	254	294	96	94	1,347	1,485
Other Income	17	50	3	10	2	9	-4	0	10	24
Profit before Interest and Tax	122	107	25	34	-14	26	-28	-46	95	92
EBIT margin (%)	18.8%	15.6%	7.2%	8.5%	-5.5%	8.9%	-29.6%	-48.5%	7.1%	6.2%

Domestic	Lifestyle		Fashion		Beauty & Wellness		Food & Beverage		Consolidate	
Unit : THB Million	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26
Revenue from Sales & Services	641	679	303	347	138	159	90	91	1,171	1,276
Other Income	17	48	3	1	1	3	-4	0	19	7
Profit before Interest and Tax	130	111	45	40	3	39	-25	-40	160	133
EBIT margin (%)	20.2%	16.3%	14.8%	11.5%	2.3%	24.9%	-28.1%	-43.8%	13.7%	10.4%

Overseas	Lifestyle		Fashion		Beauty & Wellness		Food & Beverage		Consolidate	
Unit : THB Million	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26	9M/25	9M/26
Revenue from Sales & Services	8	11	45	61	117	135	5	3	175	209
Other Income	0	2	0	9	1	6	0	0	-8	17
Profit before Interest and Tax	-8	-3	-20	-5	-17	-13	-3	-6	-65	-41
EBIT margin (%)	-96.3%	-31.8%	-43.1%	-9.0%	-14.8%	-9.9%	-55.3%	-181.7%	-37.0%	-19.7%

Analysis of Statement of Financial Position



1. Assets

As of September 30, 2026, the Group recorded total assets of THB 2,756.6 million. The Group's core assets comprised (1) inventories, (2) goodwill, and (3) right-of-use (ROU) assets, collectively accounting for 72.2% of total assets. Total assets increased by THB 34.9 million, or 1.3%, compared to year-end 2025. This increase was primarily driven by: (1) higher inventories, which included goods in transit of THB 26.9 million, merchandise for new stores of THB 13.1 million, and an increase of THB 2.0 million in packaging for HARNN products compared to year-end 2025; and (2) other current assets, mainly from prepaid expenses and deposits. Conversely, right-of-use (ROU) assets decreased following the exclusion of service contract components from lease calculations, which were reclassified into selling expenses. The Group reviewed its calculation of ROU assets and lease liabilities to include only payments meeting the definition of a lease under the relevant accounting standards, excluding service components to better reflect economic substance. Therefore, both ROU assets and lease liabilities were measured at lower carrying amounts in the Statement of Financial Position.

2. Liabilities

As of September 30, 2026, the Group recorded total liabilities of THB 1,230.0 million. The Group's core liabilities comprised (1) short-term borrowings from financial institutions, (2) lease liabilities, and (3) trade and other payables, collectively accounting for 81.7% of total liabilities. Total liabilities increased by THB 86.9 million, or 7.6%, compared to year-end 2025. This increase was primarily driven by: (1) higher short-term borrowings from financial institutions in the form of trust receipts (T/R) utilized for foreign exchange risk management; (2) long-term borrowings; and (3) trade and other payables. Conversely, lease liabilities decreased following the exclusion of service contract components from lease calculations and their reclassification into selling expenses, as explained above.

3. Shareholder's Equities

As of September 30, 2026, the Group's total equity stood at THB 1,526.6 million, a decrease of THB 52.0 million compared to December 31, 2025, primarily driven by total dividend payments of THB 80.8 million.

Analysis of Statement of Cash Flow

Unit: Million Baht For the nine-month period ended 30 September	2025	2026
Net cash from (used in) operating activities	78.8	121.9
Net cash used in investing activities	-54.6	-54.3
Net cash from (used in) financing activities	-134.0	-127.7
Increase (decrease) in translation adjustments	-0.2	-3.0
Net increase (decrease) in cash and cash equivalents	**-110.0**	**-63.0**
Cash and cash equivalents at beginning of period	146.2	97.6
Cash and cash equivalents at end of period	**36.2**	**34.6**

The Statement of Cash Flows for the nine-month period ended September 30, 2026 reflected positive net cash flows from operating activities, demonstrating the Group's strong cash-generating capability from core operations. Net cash used in financing activities primarily resulted from dividend payments of THB 80.8 million, repayment of lease liabilities, and repayment of long-term borrowings. As of September 30, 2026, cash and cash equivalents stood at THB 34.6 million.

Operating Performance Trends

Amid a highly volatile economic environment, management remains confident in achieving its revenue growth target of 10% to 12%, with international operations expected to outpace domestic operations this year. Same-Store Sales Growth (SSSG) remained positive at +3.0% in October, continuing the upward momentum from +2.0% in Q3. Furthermore, the revenue contribution from international operations is projected to increase compared to the previous year, with management confident in maintaining its target international revenue proportion at 15% to 17% for the year. For 2027, management projects combined domestic and international revenue growth of 12% to 15%, with domestic growth expected to be more moderate than international operations, which are expanding at a faster pace from a lower base. Additionally, by the end of Q1/2027, the Group will begin recognizing revenue from the expansion of the HARNN brand through an exclusive importer and distributor in South Korea. This projection excludes further distribution channel expansions of other brands across all business segments, both domestically and internationally, in accordance with the business plan.

Selling, general, and administrative (SG&A) expenses are expected to remain stable, while the SG&A-to-revenue ratio is projected to decline due to a significant seasonal increase in revenue during both Q4/2026 and Q1/2027, with no major projects expected to impact selling expenses over the next six months. Concurrently, cost controls for international operations remain stringent, and a strategic focus on generating

higher-quality revenue will further contribute to lowering the overall SG&A-to-revenue ratio (noting a one-time store closure write-off for one Marimekko store at ION Orchard in Q4). The anticipated reduction in the SG&A-to-revenue ratio over the next six months will enable all business segments to achieve higher profitability. Furthermore, currently loss-making segments, such as the Food & Beverage (F&B) segment, are expected to see a substantial narrowing of losses. Positive momentum is already evident, as Same-Store Sales Growth (SSSG) contraction narrowed significantly in Q3 and stood at -2% in October, improving markedly from the double-digit contraction recorded in the first half of the year.

However, higher imported merchandise costs resulting from significant Thai Baht depreciation remain a key factor weighing on short-term profitability. Management projects the gross profit margin for Q4/2026 and Q1/2027 to be at 60% and 63%, respectively. Supporting drivers—such as stringent cost control, higher other income, and a lower effective tax rate—will enable the Group to achieve net profit growth for 2026. Management's key objective is to deliver year-on-year growth in Earnings Per Share (EPS) to sustain its capacity for higher dividend payouts in the following year.

Furthermore, the execution of more rigorous operational strategies, alongside the integration of the new Point-of-Sale (POS) system across all brands, is enhancing the effectiveness of rewards through TANACHIRA CLUB in retaining target customers within the Group's brand portfolio.

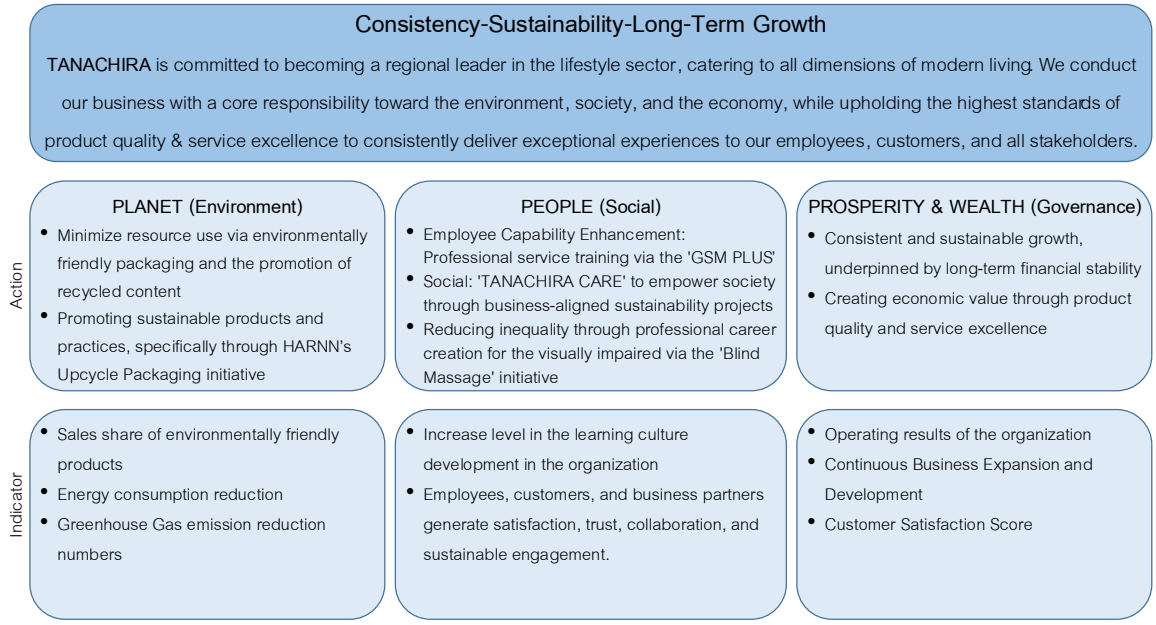
Regarding the collaboration with Saha Pathana Inter-Holding (SPI), the Group anticipates revenue contribution from the new venture—which will operate within the Fashion and/or Lifestyle segments—to commence by the end of Q1/2027. As previously disclosed in earlier reports, this investment will target the value-for-money customer segment.

ESG Strategy 2025–2030

Creating and Delivering Meaningful Lifestyle

Through Consistency, Sustainability, and Long-Term Growth

TAN ESG Strategy 2025-2030: Establishing a Solid Foundation for Sustainable Growth



Q3/2026 Key Projects and Highlights

Guided by the core concepts of **Consistency, Sustainability, and Long-Term Growth**, the Group focuses on balancing sustainable long-term business expansion with delivering value to all stakeholders through key initiatives across various dimensions, as detailed below:

Environment

Advancing the Circular Economy through Eco-Friendly Packaging (Circular Packaging)

The Group is committed to promoting resource efficiency and minimizing environmental impacts across its value chain by integrating circular economy principles into product and packaging development. This approach prioritizes reducing virgin resource consumption, maximizing material reuse, and minimizing operational waste.

In Q3/2026, HARNN partnered with PTT Global Chemical Public Company Limited (GC) to drive the Loop Connecting System. Under this initiative, post-consumer plastic packaging was collected via the YOUTURN platform for sorting and recycling into Post-Consumer Recycled High-Density Polyethylene (PCR HDPE) resin, which was subsequently utilized as raw material to manufacture PCR squeezable tubes for HARNN products.

Based on data compiled from July to September 2026, the Group delivered a total of 141.7 kilograms of used plastic for management and recycling, comprising 135.7 kilograms of PET and 6.0 kilograms of HDPE.

Diverting this plastic waste from landfills generated positive environmental outcomes by reducing greenhouse gas (GHG) emissions by 146.09 kilograms of carbon dioxide equivalent ($kgCO_2e$), equivalent to the annual carbon sequestration capacity of approximately 15.38 trees, based on GC's calculation methodology.

Furthermore, HARNN incorporated these recycled plastic materials directly into its commercial packaging by producing PCR squeezable tubes for 3,000 sets of the HARNN EMPYREAN OF LIGHT TRIO HAND CREAM SET (Holiday Set) for the festive season.

This collaboration establishes a Circular Packaging Model that seamlessly connects collection, sorting, recycling, and remanufacturing into tangible packaging. It effectively reduces reliance on virgin plastic, enhances resource efficiency, minimizes plastic waste sent to disposal, and supports GHG emissions reduction throughout the value chain.









Social

Human Capital Development and Promotion of Business Ethics

The Group places strong emphasis on continuous human capital development by enhancing essential operational knowledge, understanding, and skills, alongside instilling a strong sense of ethics, integrity, and accountability toward the organization and its stakeholders. This enables personnel at all levels to perform effectively in alignment with sustainable business practices. In Q3/2026, the Group continued to conduct anti-corruption training and knowledge development programs for executives and employees through new employee orientation and annual refresher courses. Key topics included fraud prevention and conflicts of interest, the giving and receiving of gifts and hospitality, whistleblowing channels, whistleblower protection measures, and consultation channels for compliance inquiries. To ensure comprehension and practical application in daily operations, the Group set a minimum post-training assessment passing score of 80%.

Furthermore, the Group focused on developing specialized knowledge and skills for personnel involved in procurement processes by organizing a workshop titled “Elevating Sustainability Standards and Business Code of Conduct” for 27 employees from the Procurement Department and related functions, representing 84% of total relevant personnel. The workshop aimed to enhance understanding of integrating environmental and social criteria into procurement processes, covering ethical and transparent business conduct, prevention of corruption and conflicts of interest, personal data protection, as well as Environmental, Social, and Governance (ESG) risk assessment and management for business partners.

These initiatives reflect the Company’s commitment to fostering continuous learning and employee capability development through training programs encompassing both foundational workplace ethics and role-specific expertise. By empowering employees to apply this knowledge in practice and contribute to responsible business conduct across the supply chain, the Group lays a solid foundation for talent development, a strong corporate culture, and sustainable business growth.





Economic & Governance

In August 2026, Tanachira Retail Corporation Public Company Limited received a 5-coin rating (a full score of 100), classified as “Excellent” (Exemplary), in the 2026 Annual General Meeting Assessment (AGM Checklist). The assessment was conducted by the Thai Investors Association (TIA) in collaboration with the Federation of Thai Capital Market Organizations (FETCO). This achievement reflects the Company’s commitment to elevating good corporate governance standards, maintaining transparent and accountable operations, and prioritizing the rights and equitable treatment of shareholders. The Company remains dedicated to continuously enhancing its management systems and corporate governance practices to build investor confidence and support sustainable business growth.



List of Shareholders as of 31 October 2026

No.	Shareholders	Number of shares	% Shares
1	MR. TANAPONG CHIRAPANIDCHAKUL	223,546,700	74.52%
2	SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED	27,000,000	9.00%
3	MR. KACHEN BENJAKUL	6,742,700	2.25%
4	MR. AKAPOP AREEWONG	5,397,800	1.80%
5	MISS SUPASSORN JAOVISIDHA	2,478,300	0.83%
6	MISS KONGKARN DENPHAISARN	1,600,000	0.53%
7	MR. WISUT LERTVIRIYASAK	1,367,300	0.46%
8	MR. SOMNARONG CHIRAPANIDCHAKUL	1,322,300	0.44%
9	MR. SAKCHAI MALEEMONGKOL	1,271,100	0.42%
10	MRS. SIRIRAT CHAROENWISAL	870,000	0.29%

* List of Top 10 Shareholders