Management Discussion and Analysis Translation

For the9 month ended September 30, 2025 and September30,2024

Operating and Financial Status

Overview

Operating results of the company for the 9 month period ended September 30, 2025, net profit increased by Bt. 21.33 million or 3.90% from 2024.

Domestic sales for 9 month period fo 2025,amounted to Bt. 2,022.08 million, aincreased from 2024 by Bt. 11.90 million or 0.59%, resulted from modern trade distribution channel increased by Bt. 65.31 million or 8.13%, traditional trade decreased by Bt. 58.30 million or 6.75%.

Sales in the industrial for 9 month period of 2025 increased from 2024 by Bt. 18.88 million, or 6.41%, driven by the growth of the ready-to-eat food manufacturing plants.

Export sales for the 9 month period of 2025,amounted to Bt. 230.04 million, adecreased from 2024by Bt. 50.57 million or 18.02%.This was caused by the global economic slowdown and the imposition of import tariffs by the United States. Furthermore, countries in Southeast Asia were particularly affected by the closure of the Thailand-Cambodia border crossing, leading to a disruption of trade.

Cost of sales for the 9month period of 2025, amounted to Bt. 1,540.86 million, a decrease from 2024 by Bt.80.03 million or 4.94%. Resulting from thedecrease in the cost of main rawmaterials.

Distribution costs for the 9 month period of 2025,amounted to Bt. 234.09million, an increased from 2024byBt. 9.03 million or 4.01%. Most of it comes from marketing support activities and advertising expenses.

Administrative expenses for the 9 month period of 2025, amounted to Bt. 124.50million, an decreased from 2024by Bt. 1.49 million or 1.18%.

Operating Analysis

Profitability

Thai Theparos Plc's net profit for 3 month and 9 month ended September 30 2025 and September 30 2024.

		Q3 2024	Q3 2025	Change	%	9 Month 2024	9 Month 2025	Change	%
Net profit (Million Baht)		169.77	189.65	19.88	11.71	547.45	568.78	21.33	3.90
Gross Profit Margin	%	37.50	41.13	3.63		37.97	39.80	1.83	
Net Profit Margin	%	19.50	22.23	2.73		20.66	21.84	1.18	

	(in million Baht)	Q3 2024	%	Q3 2025	%	Change	%	9 Month 2024	%	9 Month 2025	%	Change	%
1	Domestic Sales	653.97	74.72	665.55	78.05	11.58	1.77	2,010.18	76.04	2,022.08	77.44	11.90	0.59
	Industrial Sales	98.39	11.24	98.30	11.53	(0.09)	(0.09)	294.76	11.15	313.64	12.01	18.88	6.41
	Sales to associate	23.63	2.70	14.98	1.76	(8.65)	(36.61)	58.03	2.20	45.50	1.74	(12.53)	(21.59)
	Export Sales	99.18	11.33	73.90	8.67	(25.28)	(25.49)	280.61	10.61	230.04	8.81	(50.57)	(18.02)
	Total	875.17	100.00	852.73	100.00	(22.44)	(2.56)	2,643.58	100.00	2,611.26	100.00	(32.32)	(1.22)
	Less volume rebates	(12.98)	(1.48)	(12.57)	(1.47)	0.41	(3.16)	(30.46)	(1.15)	(51.73)	(1.98)	(21.27)	69.83
	Net Sales	862.19	98.51	840.16	98.52	(22.03)	(2.56)	2,613.12	98.85	2,559.53	98.02	(53.59)	(2.05)
2	Cost of Sales	538.89		494.61		(44.28)	(8.22)	1,620.89		1,540.86		(80.03)	(4.94)
	% of total sales of goods	62.50		58.87		(3.63)		62.03		60.20		(0.95)	
3	Distribution Expenses	82.29		82.06		(0.23)	(0.28)	225.06		234.09		9.03	4.01
	% of total sales of goods	9.54		9.77		0.22		8.61		9.15		0.53	
4	Administrative Expenses	41.70		40.39		(1.31)	(3.14)	125.99		124.50		(1.49)	(1.18)
	% of total sales of goods	4.84		4.81		(0.03)		4.82		4.86		0.04	
	Net Profit	169.77		189.65		19.88	11.71	547.45		568.78		21.33	3.90
	Earning Per Share	0.47		0.53				1.52		1.58			

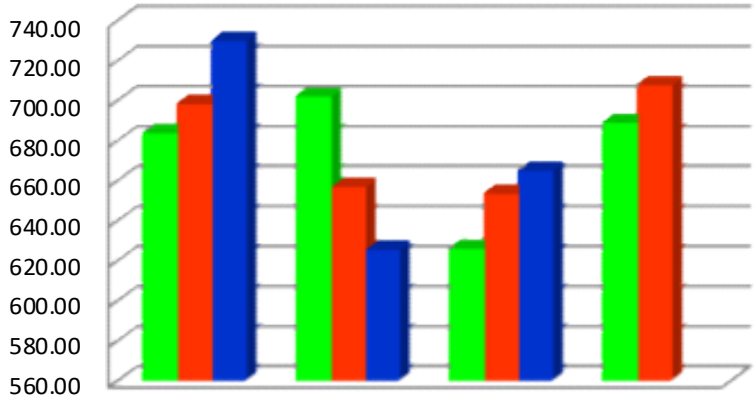
Operating Analysis

Profitability

Domestic sales in Q3/2025increased from Q3/2024a increased by Bt.11.58 million, or 1.77%aincreased frommodern trade distribution channel an increased by Bt. 25.90 million, or 9.61%.traditional trade sales decreased by Bt.5.21 million, or 1.91%,Van sales distribution channel decreased by Bt. 4.02 million, or 6.41%,Distribution channels for trading firm decreased by Bt. 5.86 million, or 12.02%, due to the economic slump.

Domestic sales for 9 month period of2025increasedfrom 2024 by Bt.11.90 million, or 0.59%increased from distribution channels for trading firm by Bt. 9.02million, or 5.92,modern trade distribution channelincreased by Bt. 65.31 million, or 8.13%, traditional trade sales decreased by Bt. 58.30 million, or 6.75%, Van sales distribution channel decreased by Bt. 6.92 million, or 3.66%.

Domestic sales by Quarterly (Million Baht)



	Q1	Q2	Q3	Q4	Annual
2023	684.22	702.65	626.52	689.43	2,702.82
2024	698.78	657.43	653.97	708.28	2,718.46
2025	730.43	626.10	665.55		2,022.08

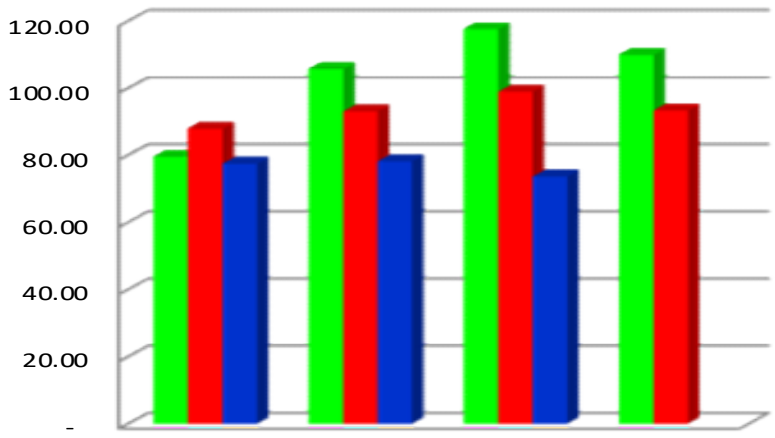
Sales in the industrial in Q3/2025 decreased by Bt. 0.09 million, or 0.09%, due to the industry market began to slowdown.

Sales in the industrial for 9 month period of 2025 increased from 2024 by Bt. 18.88 million, or 6.41%, driven by the growth of the ready-to-eat food manufacturing plants.

Export sales in Q3/2025 decreased from Q3/2024 by 25.28 million, or 25.49%.The decrease in sales mainly stemmed from customers in the Americas, due to the imposition of import tariffs by the United States and the economic slowdown.

Export sales for the 9 month period of 2025 decreasedfrom 2024 by Bt. 50.57 million, or 18.02%. The decline was mainly due to customers in Asia, resulting from the economic slump and the reduction in trade caused by border closures.

Export sales by Quarterly (Million Baht)

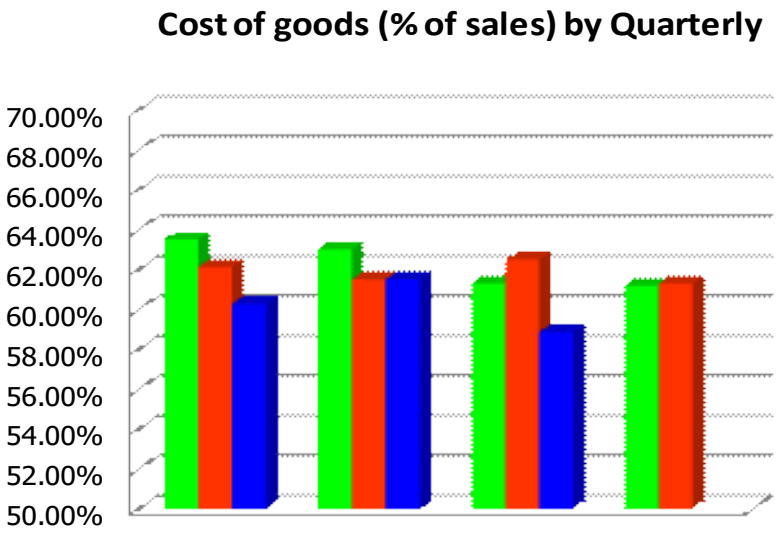


	Q1	Q2	Q3	Q4	Annual
2023	79.70	105.89	117.79	110.13	413.51
2024	88.10	93.33	99.18	93.57	374.18
2025	77.72	78.42	73.90		230.04

(Million Baht)	Q3 2024	Q3 2025	Change	%	9 Month 2024	9 Month 2024	Change	%
Exter (Thailand) Limited	23.63	14.98	(8.65)	(36.61)	58.03	45.5	(12.53)	(21.59)

Sales to associates in Q3/2025.The company had sales of products to Exter (Thailand) Limited in Q2/2024, decreased by Bt. 8.65million or 36.61%.

Sales to associates for 9month 2025 decreased by Bt. 12.53 million or 21.59% ducts to Exter (Thailand) Limited in 9 month 2025.



	Q1	Q2	Q3	Q4	Annual
2023	63.50%	63.00%	61.30%	61.20%	64.67%
2024	62.12%	61.50%	62.50%	61.30%	62.26%
2025	60.28%	61.51%	58.87%		60.20%

Cost of goods solddecreased from 62.50% percentage of sales in Q3/2024 compare to 58.87% percentage of sales in Q3/2025 increased 3.63%. Due to the lower cost of main raw materials such as soybeans, chilies, and fresh garlic. The cost of packaging remained unchanged.

Cost of goods sold for 9 month period of 2025decreased from 62.03% percentage of sales in 2024compare to 60.20% percentage of sales in 2025 decreased 0.95%.

Distribution expenses of sales increased from 9.54% percentage of sales in Q3/2024 compare to 9.77% percentage of sales in Q3/2025 increased 0.22%.Most of it comes from marketing support activities, advertisement, and the transport cost remained unchanged.

Distribution expenses of sales for 9 month period of 2025 increased from 8.61% percentage of sales in 2024 compare to 9.15% percentage of sales in 2025 increased 0.53%.

Administrative expenses decreased from 4.84% percentage of sales in Q3/2024 compare to 4.81% percentage of sales in Q3/2025 increased 0.03%.

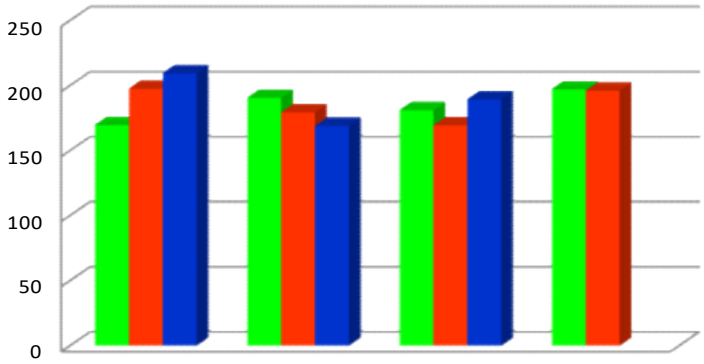
Administrative expenses for 9 month period of 2025 increased 4.82% percentage of sales in 2024.increased 0.04%

For the above reasons performance for Q3/2025increased from Q3/2024. The company had a net profit of Bt. 19.88 million, or 11.71% and for 9 month period of 2025increased of Bt. 21.33 million or 3.90% in2024.

Sauce has earnings before income tax (EBT) for 3 month period and for 9 month period ended September 30, 2025 and September 30, 2024, as follows:-

	Q3 2024	Q3 2025	Change	%	9 month 2024	9 month 2025	Change	%
Earning before income tax expense (Million baht)	211.15	237.14	25.99	12.31	682.91	710.37	27.46	4.02
EBT Margin	24.24%	27.80%	3.56%		25.77%	27.27%	1.50%	

Net Profit (Million Baht) by Quarterly



	Q1	Q2	Q3	Q4	Annual
2023	169.88	190.90	181.36	197.46	739.60
2024	197.88	179.80	169.77	196.40	743.85
2025	209.70	169.43	189.65		568.78

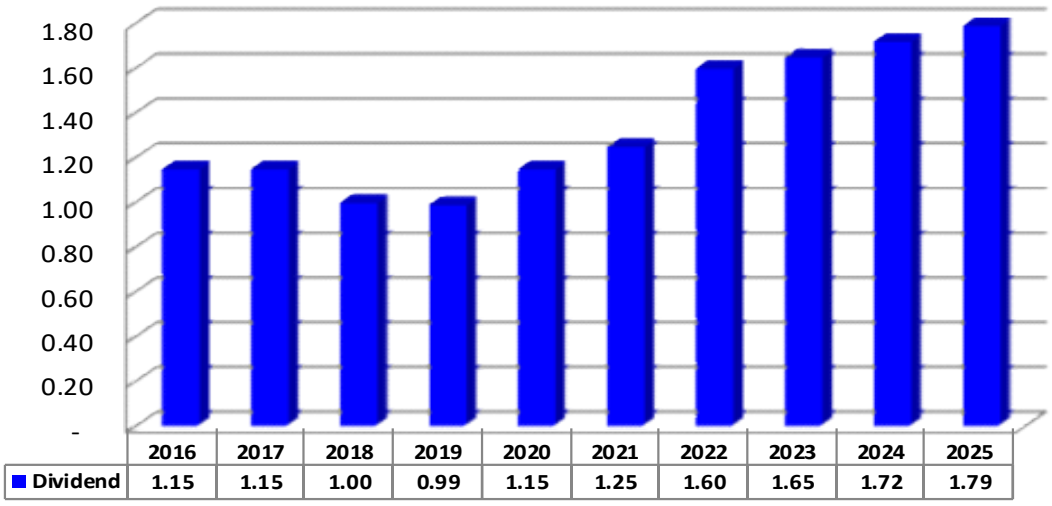
Dividend Policy

The Company has the policy to pay dividend to shareholders at not less than 50 percent of the net profit in each year and will be paid in the next year.

At the annual general meeting of the shareholders of the Company held on 23 April 2025, the shareholders approved the appropriation of dividend for 2024 amounting 360 million shares, and paid at Bt.1.79 per share, amounting to Bt. 644.40 million (payout ratio 86.63%). The shareholders must be listed on May 2, 2025to be eligible for dividend payout. The payment was scheduled on May19, 2025.

		2024	2025	Change	%
Net profit (Last year)		739.60	743.85	4.25	0.57
Dividends paid (Million Baht)		619.20	644.40	25.20	4.07
Dividends per share (Baht)		1.72	1.79	0.07	4.07
Dividends pay out	%	83.72	86.63		

Dividend payment by Annually (Baht)



Report and Analysis of Financial Position

Financial Structure

Debt Equity Ratios

Company have conservative financial policy which resulted in debt equity ratio 0.096 for 2025 and 0.102 for 2024. Have enough cash in order to prevent the price fluctuation of agricultural raw materials. Most of debt are current liabilities.

	December 31, 2024		September 30, 2025	
	Million Baht	%	Million Bah	%
Total liabilities	320.99	9.25	294.76	8.75
Equity	3,148.51	90.75	3,072.90	91.25
Total assets	**3,469.50**	**100.00**	**3,367.66**	**100.00**
Trade accounts payable	90.03	2.59	97.51	2.90
Income tax payable	91.80	2.65	46.30	1.37
Other accounts payable	103.33	2.98	110.14	3.27
Non current liabilities	35.83	1.03	40.81	1.21
Total liabilities	**320.99**	**9.25**	**294.76**	**8.75**
Issued and paid-up share capital	360.00	10.39	360.00	10.69
Premium on ordinary shares	615.60	17.74	615.60	18.28
Legal reserve retained earning	60.00	1.73	60.00	1.78
Unappropriated retained earning	2,112.91	60.90	2,037.30	60.50
Total equity	**3,148.51**	**90.75**	**3,072.90**	**91.25**
Debt Equity Ratios	**0.102**		**0.096**	

The company do not have long term loans for financing. The company uses most of its capital structure from shareholders' equity.

Liquidity

Cash flowsdecreased due to dividend payment in Q3

(Million Baht)	September 30 2024	September 30, 2025	Change	%
Cash flows from operating activities	490.08	473.57	(16.51)	3.37
Net cash uses in investing activities	(23.30)	57.56	80.86	347.04
Net cash uses in financing activities	(619.14)	(644.40)	(25.26)	(4.08)
Net increase (decrease) in cash and cash equivalents	**(152.36)**	**(113.27)**	**39.09**	**25.66**

Cash flow from operating activities in 2025decreased by Bt. 16.51 million or 3.37% compared to 2024. This was primarily due to an increase in prepaid expenses for goods totaling Bt. 48.98 million to manage raw material costs at an optimal levels.

Net cash uses investing activities in 2025 increased from 2024 in the amount of Bt. 80.86 million.Payments are made for temporary investments in equities. and debt instruments.

Net cash uses in financing activities in 2025 increased from 2024 in the amount of Bt. 25.26 million. are for dividend payout in Q2.

(Million Baht)	December 31, 2024	September 30, 2025	Change	%
Current assets	2,437.58	2,324.79	(112.79)	(4.63)
Current liabilities	285.15	253.95	(31.20)	(10.94)
Current ratio (Time)	**8.55**	**9.15**	**0.61**	**7.09**

Current ratio

In 2025, Current ratio 9.15 times is increased 8.55 times in 2024. This result from the decreased of current assets by Bt. 112.79 million, most of these are cash of cash equivalent by Bt. 113.27 million, and current liabilities decreased Bt. 31.20 million. Most of which were income tax payables of Bt. 45.50 million.

However, the company has strictly adhered to the financial management policy. The company has a high working capital ratio, there is no liquidity issue. As of September 30, 2025, the company has cash and cash equivalents of over Bt. 512.59million and overdraft loan facility which has not been used from bank around Bt. 97.50million to support the need for emergency funds.

The ability to pay debt and practice according to the loan

The company has no debt resulting from loan of any kind. Most of liabilities are current liabilities from trade account payable and accrued expenses. The company has performed its duty as a good debtor and paid debt in accordance with customer's trade agreement.

Quality of Assets

Change in Assets

As at September 30, 2025 Sauce has Bt. 3,367.66 million of total assets, the growth decreased2.94% compare to total assets of Bt. 3,469.50 million as atDecember 31, 2024.

(Million Baht)		December 31, 2024	September 30, 2025	Change	%
Current assets		2,437.58	2,324.79	(112.79)	(4.63)
Non current assets		1,031.92	1,042.87	10.95	1.06
Total assets		3,469.50	3,367.66	(101.84)	(2.94)
Current assets / Total assets	%	70.26	69.03	(1.22)	
Non current assets / Total assets	%	29.74	30.97	1.22	
Total assets	%	100.00	100.00	-	

As of September 30, 2025, company has current assets and non-current assets as 69.03% and 30.97% of the total assets compared to 70.26% and 29.74% as at December 31, 2024.

Main Part of Assets

	December 31, 2024		September 30, 2025	
	Million Baht	%	Million Baht	%
Property, plant and equipment	773.37	22.29	777.34	23.08
Current investments	788.56	22.73	678.47	20.15
Inventories	572.85	16.51	625.37	18.57
Cash and cash equivalent	625.87	18.04	512.59	15.22
Trade receivables	383.91	11.07	390.24	11.59
Land not used in operations	204.07	5.88	210.22	6.24
Advance payment for raw materials purchased	47.84	1.38	96.82	2.87
Investments in associates	42.32	1.22	43.91	1.30
Other receivables	9.39	0.27	12.20	0.36
Other current assets	7.16	0.21	7.60	0.23
Deferred tax assets	4.84	0.14	5.25	0.16
Bank deposits under commitment	4.80	0.14	4.80	0.14
Current portion of loan to associate	2.00	0.06	1.50	0.04
Other non-current assets	1.01	0.03	0.90	0.03
Intangible assets	0.35	0.01	0.29	0.01
Other long-term investment	0.16	0.00	0.16	0.00
Long-term loans to associate	1.00	0.03	-	-
Total assets	**3,469.50**	**100.00**	**3,367.66**	**100.00**

Company's policy to set the time commercial credit (Term credit)

The company categorizes sales as follows:

1. Cash sell
2. Credit sell

- traditionaltrade sales and Export sales give credit 30-45 days.
- Modern trade and Industrial sales give credit 60 days.

Million Baht		June 30, 2025	September 30, 2025	Change	%
Net / Sales		798.73	840.16	41.43	5.19
Trade accouts receivable -Net		388.73	390.24	1.51	0.39
Accouts receivable Turnover/ Quarter	Times	2.09	2.16	0.07	3.35
Average debt Collection Period	Days	43	43	-	-
Inventories Turnover ratio/ Quarter	Times	0.85	0.77	(0.08)	(9.41)
Inventories Turnover Period	Days	107	119	12.00	11.21
Trade accouts payable Turnover ratio / Quarter	Times	5.00	5.00	0.00	0.00
Repayment Period	Days	18	17	(1.00)	(5.56)
Cash Cycle Period	Days	132	144	12.00	9.09

In Q3/2025, payment is tracked and credit is carried out strictly to customers.

Overall, the Company's trade receivable collection period inQ3/2025 increased by 12 days compared to Q2/2025, as higher inventory levels resulted in slower inventory turnover.

For trade receivables, adequate allowance for doubtful accounts has been made based on the facts as of 30 September 2025, has an allowance for doubtful accounts decreased to Bt. 3.29 million from Bt. 3.90 million as of December 31, 2024.

(Million Baht)	December 31, 2024	September 30, 2025	Change	%
Related parties	16.00	30.49	14.49	90.56
Other parties	371.81	363.04	(8.77)	(2.36)
Total	387.81	393.53	5.72	1.47
Less allowance for doubtful accounts	(3.90)	(3.29)	0.61	(15.64)
Net trade accounts receivable	**383.91**	**390.24**	**6.33**	**1.65**

Inventory are not deterated or obsolete.

(Million Baht)	December 31, 2024	September 30, 2025	Change	%
Finished goods	103.28	134.02	30.74	29.76
Work in process	135.78	147.42	11.64	8.57
Raw materials	335.65	344.33	8.68	2.59
Raw materials in transit	2.44	-	(2.44)	(100.00)
Suplies	0.73	0.84	0.11	15.07
Less allowance for decline in value	(5.03)	(1.24)	3.79	(75.35)
Total inventories	**572.85**	**625.37**	**52.52**	**9.17**

The Inventorieshas increaseddue to the introduction of automated warehouses.

Long-term investment

(Million Baht)	December 31, 2024	September 30, 2025	Change	%
Investment in marketable equity security	0.16	0.16	0.00	0.00
Total long-term investment	**0.16**	**0.16**	**0.00**	**0.00**

Allowance for impairment losses

Unused land

(Million Baht)	December 31, 2024	September 30, 2025	Change	%
Unused land at cost	204.07	210.23	6.16	3.02
Less allowance for impairment losses	-	-	-	
Net	**204.07**	**210.23**	**6.16**	**3.02**

The company has the land not used in operations which had been acquired for the purpose of plant expansion in 1994. The company had reconsidered the purpose and cancelled the expansion project since current plant is able to support the growth of the company. In Q3/2025 there was the land improvement amounting of Bt. 6.16 million.

According to the appraisal report of an independent appraiser dated August26, 2025, the independent appraised the land that has not been used to operate the company using the market price comparison method. With an appraised value of Bt. 293.50 million.

TanawatWinyarat

(Mr. TanawatWinyarat)

Deputy Managing Director