(Translations)

Date: February 16, 2026

Subject: Submission of Financial Statements ended 31 December 2025 and Management Discussion and Analysis comparing with the previous year.

To: Director and Manager of the Stock Exchange of Thailand

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

Thai Optical Group Public Company Limited (the "Company") is pleased to submit the Company's operating results report of year 2025 as follows:

1. Financial Statements ended December 31, 2025 of the Company and its subsidiaries.
2. Management Discussion and Analysis (MD&A) for year ended December 31, 2025.
3. Summary of the Financial for the year of the Company and its subsidiaries (F45-3).

Remark: Disclosure both in Thai and English Versions.

For your acknowledgement and please disseminate to investors accordingly.

Yours Sincerely,
Thai Optical Group PCL.

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(Mr. Torn Pracharktam)
Chief Executive Officer

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Thai Optical Group Public Company Limited

Management Discussion and Analysis (MD&A)

Operating Results for the year ended December 31, 2025

Global Economic Overview

In the fourth quarter of 2025, the global economy continued to face uncertainty stemming from trade policy and geopolitical developments. Although risks related to U.S. import tariff policies toward trading partners have eased following clearer policy direction and concluded negotiations, global economic conditions remain fragile.

For Thailand, the United States has finalized the Reciprocal Tariff framework applicable to Thai exports, setting the import tariff rate at **19%**. This outcome has significantly reduced uncertainty compared to earlier expectations of materially higher tariff levels, enabling exporters to plan production, pricing, and order management with greater clarity.

Nevertheless, geopolitical tensions particularly in the Middle East continue to affect global shipping routes, freight rates, and energy costs. As a result, logistics costs remain volatile. At the same time, China's economic growth remains subdued, while Europe has shown only gradual recovery, leaving global demand relatively fragile.

Thai Economic Overview

Thailand's economy in 2025 expanded at a moderate pace, with economic momentum in the second half of the year softening compared with the first half. This moderation reflected the fading of temporary growth drivers in certain industries, while private consumption remained constrained by household debt and financial conditions.

Despite these headwinds, economic activity in the fourth quarter expanded quarter-on-quarter, supported by improvements in domestic demand and continued growth in exports across several product categories. Export growth toward the end of the year recorded double-digit expansion year-on-year, contributing to a satisfactory full-year export performance.

From a trade policy perspective, the clarification of the Reciprocal Tariff rate at **19%** has helped mitigate competitiveness risks for Thai exports to the U.S. market relative to regional peers. Nonetheless, the Group continues to closely monitor operational details and product-specific conditions under the agreement.

Key Risk Factors Affecting the Group

1) U.S. Import Tariff Policy

Although Thailand has secured a Reciprocal Tariff rate of **19%**, significantly reducing uncertainty compared with earlier scenarios, risks remain regarding implementation details. These include product-specific conditions, rules of origin, and potential future adjustments to tariff coverage, all of which could affect the Group's cost structure and pricing strategy in the U.S. market.

2) Geopolitical Risks and Supply Chain Disruptions

Ongoing geopolitical tensions—particularly in the Middle East and among major global economies continue to create volatility in global supply chains. This includes risks related to logistics costs and the

availability of certain raw materials, such as specialty plastics and coating materials used in lens manufacturing, which may affect production continuity.

3) Foreign Exchange Risk

The Thai Baht has shown a tendency to appreciate against the U.S. Dollar, which may reduce export price competitiveness and negatively affect revenue when converted into Thai Baht. The Group therefore continues to actively monitor foreign exchange movements and manage FX exposure to preserve earnings stability.

4) Labor Market and Production Dependency

Demand for skilled labor remains high, resulting in ongoing pressure on labor costs and workforce availability. The Group continues to invest in automation and production technology to enhance efficiency, reduce reliance on manual labor, and control long-term operating costs.

Risk Mitigation Strategies

The Group continues to diversify its export markets and expand its customer base to reduce reliance on any single market. Greater emphasis has been placed on Europe, South Asia, ASEAN, and other emerging markets with relatively lower tariff exposure. Commercial structures and trade terms are being refined to better align with cost structures and the updated U.S. tariff framework.

On the cost side, the Group continues to enhance procurement efficiency and logistics management to mitigate cost volatility. Production processes are being upgraded through automation and research and development initiatives to improve quality consistency and cost efficiency, while strengthening supply chain flexibility.

To manage foreign exchange risk, the Group utilizes financial hedging instruments such as forward contracts, complemented by natural hedging where appropriate, to limit the impact of currency fluctuations on revenue and profitability.

Sustainability (ESG)

The Group remains firmly committed to operating under a comprehensive Environmental, Social, and Governance (ESG) framework, integrating sustainability considerations into strategic planning and operational execution to support long-term growth and competitiveness.

Environmental:

The Group focuses on reducing environmental impact through improved energy efficiency, increased use of renewable energy, and effective resource and waste management across production processes. Climate-related risks are continuously assessed to safeguard business continuity and supply chain resilience.

Social:

The Group prioritizes employee well-being, workplace safety, and continuous skills development to support evolving production technologies. Diversity and inclusion are actively promoted, alongside engagement with local communities to create shared long-term value.

Governance:

The Group adheres to strong corporate governance principles, emphasizing transparency, accountability, and effective internal controls. Risk management and governance frameworks are continuously enhanced to address evolving regulatory requirements and future business challenges.

Consolidated Financial Performance

In 2025, The Company and its subsidiaries earned total revenues 3,591 million Baht, which was increased by 76 million Baht or 2% from previous year. The net profit for the period was 334 million Baht, which was decreased by 77 million Baht or 19% from the previous year.

Consolidated Financial Statements (Unit: million Baht)	**2025**	**2024**
Total Revenues	3,591	3,516
Cost of Sales and Services	2,828	2,689
Selling and Administrative Expenses	361	319
Net Profit (Loss)	334	412

In 2025, revenue from sales increased in several regions. Notably, sales in Canada increased by 37%, United States increased by 1% but Europe decreased by 5%, Australia and New Zealand decreased by 6% and Asia decreased by 4%. Regarding the cost of sales and services, the ratio to revenue slightly increased compared to the same period in the previous year, primarily due to the depreciation of replacement machinery and additional investments made to enhance production efficiency. Selling and administrative expenses also increased, mainly attributed to expenses of the selling activities and marketing as well as losses from foreign exchange differences.

Operating Results Analysis

1. Revenues and Expenses of the Company and its subsidiaries

1.1 Revenue from sales and services

In 2025, the Company had earned total revenue from sales and services of 3,538 million Baht, which was increase of 2% compared to the prior year. The growth was primarily driven by the Rx/Prescription Lenses segment and the Value-added Lenses segment, while the proportion of Standard Organic Lenses declined. However, the appreciation of the Thai Baht by 7% (from an average of THB 35.16 to THB 32.75 per US dollar) was a significant factor limiting revenue growth in Thai Baht terms, resulting in only a modest increase compared to the growth in sales volume.

The Revenue by Product Groups are as follows:

Revenue by Product Groups	Manufacturer	2025	2024
1. Standard Organic Lenses	The Company and its subsidiaries.	20	24
2. Value-added Lenses *	The Company	25	24
3. Rx/Prescription Lenses	The Subsidiary Company	46	44
4. Mineral Lenses/Other Products and Services	The Company and its subsidiaries.	9	8
Total		**100**	**100**

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

1.2 Cost of Goods Sold

In 2025, the Company and its subsidiaries had a ratio of cost of goods sold to revenue from sales and services at 80% higher than prior year 3%.

The cost of sales to revenue ratio increased due to a shift in the product mix toward higher-value products, which entail proportionately higher raw material costs and more complex production processes. This was further impacted by increases in raw material prices and overhead costs relating with market conditions. In addition, the Company recognized higher depreciation expenses arising from investments in new machinery and technologies aimed at improving future operational efficiency, together with accounting impacts from the appreciation of the Thai Baht.

1.3 Selling and Administrative Expenses

In 2025, the Company and its subsidiaries had the selling and administrative expenses 362 million Baht, increasing from the previous year by 42 million Baht. The main reasons were higher overseas warehousing costs and marketing promotion activities aimed at expanding the customer base, as well as the recognition of impairment provisions for investments in associates and foreign exchange losses. Nevertheless, the Company continued to place emphasis on maintaining an appropriate cost structure aligned with revenue trends in order to preserve overall management efficiency.

1.4 Net Profit

In 2025, the Company and its subsidiaries had net profit of 334 million Baht which increased by 77 million Baht or 19% from the previous year. The main reasons that impacting operating results was the 7% appreciation of the Thai Baht (from an average of THB 35.16 to THB 32.75 per US dollar), which directly affected revenue translation and resulted in higher recognition of foreign exchange losses.

In addition to foreign exchange effects, net profit was also impacted by a shift in the product mix toward higher value-added products, which incurred higher production costs during the initial phase, as well as increased depreciation expense arising from investments in new machinery and technologies to enhance long-term production efficiency. Selling and administrative expenses increased in line with the Company's plans to expand its market presence and overseas warehousing operations. Furthermore, the results included non-recurring items related to the recognition of impairment provisions for investments in associates, which are accounting entries and do not affect operating cash flows. Nevertheless, the Company continues to emphasize disciplined cost structure management and systematic foreign exchange risk management in order to maintain the stability of operating performance amid external market volatility.

2. Financial Status

1. Assets

The Company and its subsidiaries had total assets of **4,570 million Baht** which increased by 173 million Baht. The significant increases and decreases as follows;

- **Current assets** increased by 95 million Baht, primarily driven by an increase in **trade and other receivables** of 168 million Baht, in line with the significant expansion of sales in the final quarter. **Inventories** also increased by 37 million Baht to support anticipated future orders. These increases were partially offset by a decrease in **cash and cash equivalents** of 46 million Baht, resulting from repayments of borrowings from financial institutions, and a decrease in **other current assets** of 60 million Baht, mainly due to the receipt of value-added tax refunds from the Revenue Department during the year.
- **Non-current assets** increased by 78 million Baht, mainly due to **s**trategic investments in **property, plant and equipment** amounting to 41 million Baht for the installation of an automated Rx/Prescription Lenses machines, as well as investments in **intangible assets** of 34 million Baht to upgrade the Company's enterprise management system to SAP S/4HANA, which is expected to enhance long-term operational efficiency.

2. Liabilities

The Company and its subsidiaries had total Liabilities of **2,109 million Baht**, increased by 51 million Baht from the year ended December 31, 2024, reflecting the Company's effective debt structure management.

- **Current liabilities** increased by 101 million Baht, primarily due to an increase in **trade and other payables** of **103** million Baht, in line with revenue growth and effective working capital management. Meanwhile, **corporate income tax payable** decreased by **29** million Baht, partly because of additional tax incentives granted under one BOI certificate received during the year.
- **Non-current liabilities** decreased by 51 million Baht, mainly attributable to the scheduled repayment of **long-term borrowings from financial institutions** amounting to

60 million Baht, which contributed to a reduction in interest expenses and a lower proportion of interest-bearing debt.

3. Shareholder's equity

Shareholders' equity totaled **2,460 million Baht**, representing an increase of 121 million Baht from the end of the previous year. The increase was primarily attributable to the Company's operating results for the year, reflecting its profitability and the underlying strength supporting future business expansion.

3. Cash Flow

Cash earned (used) as of December 31, 2025 comparing to prior year. (Unit: million Baht)

Items	2025	2024	Amount change	% change
Cash earned (used) in operating activities:	606.00	608.94	(2.94)	(0.48)
Cash earned (used) in investment activities:	(350.73)	(468.28)	117.55	(25.10)
Cash earned (used) in financing activities:	(300.87)	(99.29)	(201.58)	203.02
Net cash Increased /(Decreased)	**(45.60)**	**41.37**	**(86.97)**	**(210.22)**

Cash flows from operating activities amounted to 606.00 million Baht, remaining broadly in line with the previous year (a decrease of only 2.94 million Baht). This reflects the quality of earnings and the Company's ability to consistently generate cash flows from its core operations, despite external volatility and changes in product mix.

Cash flows used in investing activities amounted to 350.73 million Baht, representing a decrease of 117.55 million Baht compared to the previous year, as the Company had already completed the initial phase of its major investment projects in 2024. Investments in 2025 continued to focus on strategic priorities in line with the Company's long-term plan, including:

- the acquisition of an automated Rx/Prescription Lenses machines to enhance production capacity and support demand for high-margin products
- the development of the SAP S/4HANA ERP system, aimed at establishing a modern data infrastructure to support future business expansion.

Cash flows used in financing activities amounted to 300.87 million Baht, representing an increase of 201.58 million Baht compared to the previous year. The increase was mainly attributable to the comparison base with 2024, during which the Company drew down borrowings from financial institutions to support major investments in machinery and information technology systems. In 2025, the Company gradually repaid such long-term borrowings in accordance with the terms and repayment schedules stipulated in the loan agreements. As a result, net cash outflows from financing activities increased compared to the prior year, which reflected net borrowings received.

4. Financial Ratios Analysis

Financial Ratios			Year 2025	Year 2024
Profitability Ratio				
Gross Profit Margin	GP	%	20.08	22.63
Net Profit Margin	NP	%	9.45	11.86
Efficiency Operating Ratio				
Return on Equity	ROE	%	13.94	18.01
Return on Asset	ROA	%	8.98	11.94
Average Collection Period	ACP	Days	46.96	45.82
Average Age of Inventory	AAI	Days	222.85	227.33
Average Accounts Payable	APP	Days	55.42	44.91
Liquidity Ratio				
Debt to Equity ratio	D/E ratio	Times	0.86	0.88