



บริษัท ไทยรับเบอร์ลาเท็กซ์กรุ๊ป จำกัด (มหาชน)

THAI RUBBER LATEX GROUP PUBLIC COMPANY LIMITED

สำนักงานใหญ่ : เลขที่ 99/1-3 หมู่ที่ 13 ถนนบางนา-ตราด กม. 7 ตำบลบางแก้ว อำเภอบางพลี จังหวัดสมุทรปราการ 10540

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February 26, 2026

Re : Management Explanation and Analysis of Operating Results for Fiscal Year 2025,
ended December 31, 2025

To : The President of the Stock Exchange of Thailand

Business Overview, Economic and Industry Conditions

The Group Company has comprehensive rubber businesses, covering the whole value chain of rubber and latex products, which are the rubber plantation in Thailand, The producer of latex concentrate and latex rubber, latex rubber thread, rubber gloves and latex bedding.

In late 2025, Thailand's rubber industry faced pressure from flooding in the southern region, which affected rubber output and transportation systems, resulting in tighter domestic supply and short-term price support. Moreover, the overall rubber industry continued to be pressured by external factors, including a weaker than expected global economic recovery. The limited recovery in demand from the automotive and rubber product industries exerted downward pressure on overall rubber prices. In addition, the Thai baht appreciated from the second quarter of 2025 and continued to strengthen toward the end of the year, driven by the depreciation of the US dollar and the sustained rise in gold prices, thereby exerting pressure on exports, alongside intensifying competition from other major rubber producing countries in the region. Furthermore, trade war between USA and China, international trade measures, geopolitical factors, and environmental requirements in key markets, such as the EU Deforestation Regulation (EUDR), have imposed stricter market entry conditions and higher compliance costs. As a result, Thailand's natural rubber industry faced simultaneous pressures from demand, supply, and global trade regulations during the period.

As a producer of agricultural products with a focus on sustainability, the Company continues to develop value-added products alongside efficient cost management and market expansion strategies that prioritize environmental standards and supply chain transparency, particularly under the EU Deforestation Regulation (EUDR) of the European Union, which requires operators to ensure clear traceability of raw material sources. The Company has systematically prepared its traceability systems and implemented ESG

practices in a concrete manner, which are key factors in building long-term competitive advantage and maintaining continued access to the European market.

Business performance

- The company and its subsidiaries (“the Group Company”) reported that for the financial statements for year ended December 31, 2025, the Group of companies reported a gross profit of Baht 391.04 million, operating profit of Baht 4.03 million, loss before income tax of Baht 192.97 million, and net loss of Baht 217.52 million, of which Baht 178.50 million was attributable to owners of the parent. The Group reported a reduced net loss compared to the same period of 2024 as a result of enhanced cost discipline and tighter control over administrative expenses, amid declining global natural rubber prices. The average concentrated latex price decreased from Baht 69.64 per kilogram in 2024 to Baht 57.87 per kilogram in 2025, representing a decrease of 16.90% YoY (Source: The Rubber Association of Thailand, with reference price from the Thai Concentrated Latex Association). Contributing factors included the slow recovery of the global economy and trade, tight financial conditions, high household debt affecting private consumption, and political uncertainty which may pressure both investment and government spending (Source: SCB Economic Intelligence Center). These factors collectively exerted downward pressure on natural rubber prices.

- For the year ended 31 December 2025 compared with 2024, the Group reported sales and service income of Baht 6,341.57 million and Baht 7,647.62 million, respectively, representing a decrease of Baht 1,306.05 million or 17.08% YoY. Cost of sales and services for 2025 and 2024 amounted to Baht 5,950.53 million and Baht 7,222.99 million, respectively, decreasing by Baht 1,272.46 million or 17.62% YoY, in line with the decline in revenue. Selling and administrative expenses in 2025 and 2024 were Baht 448.55 million and Baht 488.38 million, respectively, decreasing by Baht 39.83 million or 8.16% YoY. Although total revenue declined in 2025, the Group reported a reduced net loss as a result of effective management. The reduction in costs and expenses outpaced the decline in revenue, together with efficient control of sales and administrative expenses, the resulting in an overall improvement in operating performance compared to the previous year. In addition, the Company benefited indirectly from the recovery of the economy, particularly driven by the tourism sector stimulus and the expansion of digital technology. However, the business to face concerns regarding clearer trade protection measures and tariff barriers imposed by the United States, which may affect export direction in the subsequent period.

The Company has enhanced its resilience against market volatility and continuously changing external factors by focusing on improving internal efficiency and technological development to align with fluctuating demand and supply conditions to maintain business stability amid pricing pressure. The Group closely monitors global market trends, including trends in rubber demand in key industries, foreign exchange movements, and international trade developments that may affect purchase orders. In addition, the Group emphasizes maintaining supply chain continuity, prudent inventory management, and product mix adjustments aligned with market demand to strengthen operational flexibility and strengthen its resilience against future uncertainties.

Financial ratio

	2025	2024	2025 (compare) YoY%
Current Ratio	0.54	0.61	-11.48%
Average Collection Period	52	43	20.93%
Average Inventory Period	58	59	-1.69%
Average Payment Period	11	11	0.00%
Cash Cycle	99	90	10.00%
Gross Profit Margin	6.17%	5.55%	11.17%
Operating Profit Margin	0.06%	-1.00%	106.00%
Net Profit Margin	-3.39%	-3.71%	8.63%
ROE	-6.28%	-7.47%	15.93%
ROA	0.05%	-0.87%	105.75%
Debt to Equity Ratio	1.39	1.59	-12.58%
DSCR	1.14	0.66	72.73%

- In the fourth quarter of 2025, the Company delivered EUDR-compliant rubber products, comprising 1,410.84 tons of natural concentrated latex and pre-vulcanized latex, and 15 tons of skim rubber, totaling 1,425.84 tons. This represented an increase of 166.70 tons, or 13.24% QoQ, for the year 2025, total EUDR-compliant rubber deliveries amounted to 3,089.89 tons, a decrease of 154.69 tons, or 4.77% YoY. This reflects continued demand for products with traceability systems and alignment with sustainability standards, despite the one-year postponement of the enforcement of the EU Deforestation Regulation (EUDR). The Company continues to

enhance and upgrade its traceability systems on an ongoing basis to ensure systematic preparedness in advance of regulatory enforcement. Such initiatives not only help maintain market share in Europe but also strengthen bargaining power and establish a foundation for sustainable competitive advantage.

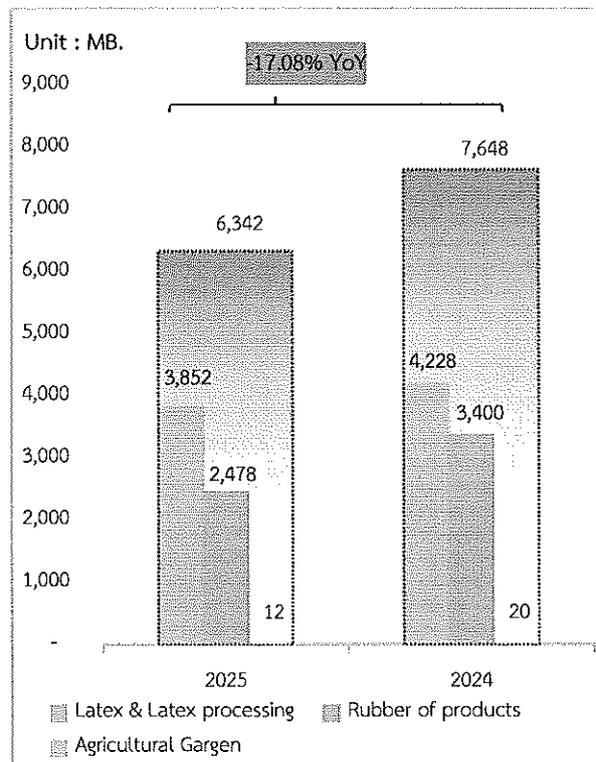
The company and its subsidiary companies had financial operating results are as follows:

1. The Concentrated Latex and Processed Latex Business Group reported a profit before tax of Baht 78 million, compared to profit before tax of Baht 19 million in 2024, reflecting a recovery in profitability. The key supporting factors were effective cost and inventory management, together with efficient control overselling and administrative expenses, resulting in a lower expense-to-revenue ratio. Although the average selling price declined compared to the previous year, cost management aligned with prevailing market price trends and continued expense control, led to a significant improvement in the profit before tax.

2. The Product Manufacturing Business Group reported a loss before tax of Baht 212 million for the year 2025, an improvement from the loss before income tax of Baht 324 million in 2024, reflecting a significant recovery in operating performance. The key supporting factor was driven by enhanced cost management efficiency, which led to an improvement in the gross profit margin compared to the previous year. In addition, the adjustment of marketing strategies, including the expansion of export markets to India, a market with strong potential and continuously growing demand for industrial rubber products, as well as the exploration of new markets, helped increase sales volume and diversify risks from existing markets. Although the overall industry continued to face pressure from the global economic environment and price competition, effective management and market expansion played a significant role in the continued reduction of losses in this business segment.

3. The Agricultural Garden Business Group reported a loss before tax of Baht 58 million for the year 2025, compared to a loss before income tax of Baht 16 million in 2024. The increase in loss was primarily attributable to lower production volume during the second and third quarters due to prolonged rainfall, which affected rubber tapping activities and reduced average yield. In addition, natural rubber market prices declined in line with increased global supply and limited demand recovery, resulting in a significant decrease in total revenue. Meanwhile, costs remained at a level close to that of the previous year, leading to a contraction in gross profit margin and a higher loss compared to the prior year.

Revenue by operation segment



Sustainability MD&A (ESG)

In 2025, the Company operated its business of producing and distributing concentrated latex for export under an industry context undergoing continuous structural transformation, particularly in Europe and other developed markets where increasing emphasis is placed on supply chain transparency, environmental management, and ESG disclosure at a traceable and verifiable level. These factors directly affect market access capability, stability of production costs, and institutional investors' risk assessment of businesses that rely on natural resources in the long term.

Management assessed that sustainability strategy has transitioned from merely overseeing operational impacts to becoming a structural determinant of competitiveness. This includes maintaining export markets, ensuring raw material continuity, controlling energy costs, and accessing funding sources with ESG-linked conditions as key components. The Company has therefore enhanced its management across various dimensions, including data system development, governance strengthening, and the integration of ESG risks into enterprise risk management, in preparation for the FTSE Russell assessment framework in 2026, which will play an important role in benchmarking companies within the same industry at the international level.

Management views the elevation of sustainability from an operational practice to a strategic organizational integration as a critical factor in strengthening competitiveness, enhancing business resilience, and ensuring long-term earnings stability.

Summary of Sustainability Performance 2025

1) Environmental Performance and Production Efficiency

In 2025, the Company focused on enhancing energy and resource efficiency within its production processes by improving energy measurement and monitoring systems across all production units to increase data accuracy and support managerial decision-making. This initiative enabled the Company to analyze energy costs more effectively, reduce exposure to cost volatility, and strengthen the long-term stability of its production cost structure.

The Company expanded the use of renewable energy from solar power at two factories and plans to complete installations across all production units by 2026. This investment aims to improve cost stability, reduce dependence on external energy sources, and prepare for future climate-related disclosure requirements from customers and investors.

In terms of greenhouse gas management, the Company has begun enhancing its carbon data collection and monitoring systems at the organizational level to establish a more systematic approach. This is to prepare for setting greenhouse gas reduction targets and developing a long-term decarbonization pathway. Management views investments in energy efficiency and carbon management not merely as regulatory compliance, but as strategic tools to mitigate cost risks, enhance operational stability, and support long-term competitiveness.

2) Supply Chain Management and Readiness for International Regulations

The Company's concentrated latex business primarily relies on agricultural raw materials. Effective supply chain management is therefore a critical factor for production continuity and export market access. In 2025, the Company enhanced transparency and traceability of raw materials by initiating digital data collection on raw material sources and farmers to support compliance with deforestation-free requirements (EUDR) and environmental and human rights regulations.

The development of this supply chain data system helps mitigate long-term risks in accessing the European market, strengthens raw material risk management capabilities, and enhances confidence among international customers and business partners. Management believes that supply chain readiness and traceability will be key factors for institutional investors in assessing earnings sustainability and will form an important component of the evaluation framework of FTSE Russell, particularly in relation to sustainable supply chain management and biodiversity.

3) Corporate Governance and Risk Management

The Company operates under good corporate governance principles emphasizing transparency, accountability, and verifiable disclosure. In 2025, the Company received a 5-star "Excellent" rating from the Thai Institute of Directors (IOD).

In terms of risk management, the Company has integrated environmental, supply chain, and regulatory risks into its enterprise risk management framework to ensure that sustainability management forms part of its strategic risk management process.

Outlook and Preparation for Future Sustainability Management

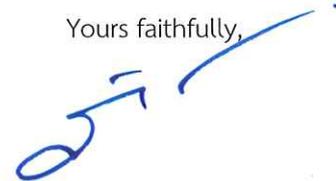
Although sustainability disclosures in 2025 continued to primarily reference the guidelines of the Stock Exchange of Thailand, management has set a direction to further enhance data systems and sustainability management processes to align with the assessment framework of FTSE Russell and the expectations of international institutional investors, particularly in environmental risk management, supply chain transparency, and corporate governance.

In 2026, management plans to elevate sustainability management from an operational focus to systematic integration at the corporate strategic level. The Company remains committed to strengthening its competitiveness and business resilience to ensure long-term earnings stability amid the continuously evolving landscape of industry and global trade.

Finally, the Company will closely monitor regulatory trends and capital market expectations, while continuously improving its sustainability management framework to support stable and sustainable long-term business growth.

Please be informed accordingly,

Yours faithfully,



(Mr.Pattarapol Wongsasuthikul)

Managing Director