

**Management Discussion and Analysis: MD&A**  
**Financial Position and Operational Performance Analysis**

**Summary of Operational Performance for the Year ended December 31, 2025**

Under the context of a slowing global economy amid uncertainty caused by trade wars and U.S. tariff policies, the Company continued to maintain its business strength through effective cost management. This enabled the Company to sustain its competitiveness despite facing pressure from the U.S. import tariff measures, which took effect at a rate of 25% in March 2025 and increased to 50% since early June 2025, covering steel and aluminum products from all countries equally.

Nevertheless, customer demand from the U.S. remained steady, driven by replacement needs for worn-out products and the expansion of the Company's business partners in the country. In addition, the Company is able to maintain its consistency and reliability in product quality. The company also has sufficient production capacity to meet customers' demand, and on-time delivery management. As a result, the Company continued to gain the trust of U.S. customers, with orders increasing by 12% compared to the prior year.

To enhance business sustainability, the Company implemented a market diversification strategy across various global regions to reduce risks associated with dependence on major markets and to balance revenue streams among regions with differing demand cycles. This strategy helped mitigate revenue volatility and supported continuous growth.

For the year 2025, although the Company's sales volume declined by 5% compared to the prior year, the proportion of three-piece cylinders and other low-pressure cylinders increased, which typically have higher average selling prices than household LPG cylinders. This aligns with the Company's sales strategy of promoting higher value-added products. In addition, a higher proportion of sales to regions with stronger pricing capability contributed to an improvement in gross profit margin compared to the prior year. However, due to a 16% decline in steel market prices compared to the prior year, the Company adjusted selling prices accordingly for certain customers. Together with the continued appreciation of the Thai Baht, which adversely affected export revenues, total revenue decreased by 15% compared to the prior year.

Regarding freight costs, since the second quarter of 2024 through the present, freight rates have remained highly volatile. In response, the Company reviewed and adjusted its sales policy by offering product quotations excluding freight charges and confirming freight costs closer to the delivery date. This approach helps reduce risks from logistics cost fluctuations.

The Company firmly believes that its strategies—focused on cost management, sales policy flexibility aligned with current conditions, market diversification, and promoting higher value-added products—will remain key factors supporting its competitiveness and fostering sustainable long-term growth, even amid global economic uncertainty.

### **Performance Highlights**

Major attributes to the Company's operating performance variations between 2025 and 2024 are as follows:

1. Revenue from sales and services decreased by Baht 706.73 million (15.4%), from Baht 4,576.93 million to Baht 3,870.20 million, in concurrent with a 5% decline in sales volume. The decrease was primarily due to a 16% decline in average raw material (steel) prices compared to the prior year, resulting in lower selling prices. In addition, the Thai Baht appreciated by 6%, further reducing selling prices.
2. Cost of sales and services decreased by Baht 579.28 million (16.3%), from Baht 3,545.94 million to Baht 2,966.66 million, consistent with the decline in sales.
3. Gross profit decreased by Baht 127.45 million (12.4%), from Baht 1,030.99 million to Baht 903.54 million, while the gross profit margin increased from 22.5% to 23.3%. This improvement was mainly driven by a higher sales proportion of three-piece cylinders and other low-pressure cylinders, which are higher-value and higher-margin products, together with increased sales to regions with stronger pricing capability. These were partially offset by selling price adjustments in line with the 16% decline in steel prices and the 6% appreciation of the Thai Baht.
4. Other income decreased by Baht 42.36 million (16.6%), from Baht 254.86 million to Baht 212.50 million, due to lower scrap sales revenue following a 16% decline in steel market prices and a slight decrease in production volume.
5. Selling and distribution expenses decreased by Baht 137.70 million (40.4%), from Baht 340.61 million to Baht 202.91 million. This decrease was mainly due to lower freight expenses, in line with lower sales, and an increased proportion of sales under FOB (Free on Board) terms following the Company's adjustment in sales policy to exclude freight charges.
6. Finance costs decreased by Baht 19.99 million (64.7%), from Baht 30.89 million to Baht 10.90 million, consistent with reduced raw material (steel) purchases following lower steel market prices. In addition, the Company's debt obligations decreased due to accelerated repayments using surplus cash to reduce finance costs, while market interest rates also declined slightly during the period.
7. Income tax expense decreased by Baht 14.64 million (48.9%), primarily due to increased utilization of tax exemption from BOI for supporting local public health community. The statutory corporate tax rate remained unchanged at 20%.
8. Profit for the year increased by Baht 2.69 million (0.5%), from Baht 597.55 million to Baht 600.24 million. Despite a 15% decline in sales compared to the prior year, improved cost management and a reduction in finance costs, together with a higher gross profit margin, resulted in an overall increase in profit for the year.

## **Financial Position**

### **Assets**

**As of December 31, 2025**, the Company's total assets decreased by Baht 144.41 million (3.7%), from Baht 3,918.06 million as of December 31, 2024 to Baht 3,773.65 million. The key changes in assets were as follows:

- Cash and cash equivalents and other current financial assets increased by Baht 419.90 million (64.1%), from Baht 655.01 million to Baht 1,074.91 million, primarily due to profit generated during the period and cash reserves allocated for repayments of trade payables, dividend payments, corporate income tax payments for the second half of 2025, and repayments of short-term loans from banks to reduce interest burden.
- Trade account receivables decreased by Baht 339.12 million (53.1%), from Baht 639.16 million to Baht 300.04 million, mainly due to collections received during the period and lower sales in Q4/2025 compared to the same period of the prior year.
- Inventories decreased by Baht 216.92 million (18.4%), from Baht 1,176.40 million to Baht 959.48 million, mainly due to a reduction in raw materials utilized in production during the year and a decrease in work-in-process as production was completed and reclassified to finished goods pending delivery in early 2026.

### **Liabilities**

**As of December 31, 2025**, the Company's total liabilities decreased by Baht 385.87 million (43.8%), from Baht 881.97 million as of December 31, 2024 to Baht 496.10 million. The key changes in liabilities were as follows:

- Short-term loans from banks decreased by Baht 184.54 million (64.9%), from Baht 284.54 million to Baht 100.00 million, primarily due to accelerated repayments of liabilities under trust receipt arrangements to reduce finance costs. The remaining balance primarily represented promissory notes, which carry lower interest rates.
- Trade and other payables (net) decreased by Baht 131.64 million (38.8%), from Baht 339.69 million to Baht 208.05 million, due to repayments made during the year and lower payable balances in line with reduced raw material purchases following the decline in steel market prices.
- Accrued transportation expenses decreased by Baht 31.10 million (77.0%), from Baht 40.40 million to Baht 9.30 million, as the Company increased its proportion of sales under FOB (Free on Board) terms to mitigate freight rate volatility risk.

### **Shareholders' Equity**

**As of December 31, 2025**, the Company's shareholders' equity increased by Baht 241.46 million (8.0%), from Baht 3,036.09 million as of December 31, 2024 to Baht 3,277.55 million. The key changes in shareholders' equity were as follows:

- An increase of Baht 600.24 million from profit for the year.
- Offset by a decrease of Baht 358.78 million in retained earnings, resulting from dividend payments based on the Company's operating results for the periods July–December 2024 and January–June 2025.

### **Cash Flow**

**As of December 31, 2025**, the Company's cash and cash equivalents decreased by Baht 49.11 million from the end of 2024. The changes in cash flow were as follows:

- Net cash provided from operating activities amounted to Baht 1,039.29 million, primarily derived from the Company's operating results for 2025, cash collections from trade receivables during the period, and reductions in raw material and work-in-process inventories. These were partially offset by payments to trade and other payables. In addition, accrued transportation expenses declined following the increase in the proportion of sales under FOB (Free on Board) terms.
- Net cash used in investing activities totaled Baht 542.71 million, mainly from working capital management through short-term investments that provided higher returns than bank deposits, as well as machinery improvements to enhance production efficiency.
- Net cash used in financing activities amounted to Baht 545.69 million, resulting from early repayments of short-term bank loans used for raw material (steel) purchases to reduce interest burden, and dividend payments based on the Company's operating results for the periods July–December 2024 and January–June 2025.

## Summary of financial status, operating results, and significant financial ratios

### Financial statement

STATEMENT OF FINANCIAL POSITION (Thousand Baht)	31 December 2025	31 December 2024	Inc(Dec)	
			Thousand Baht	%
Cash and cash equivalents	51,549	100,657	(49,108)	(48.8%)
Trade accounts receivable	300,039	639,157	(339,118)	(53.1%)
Inventories	959,477	1,176,401	(216,924)	(18.4%)
Advance payments for goods	2,814	3,469	(655)	(18.9%)
Refundable value added tax	30,517	36,168	(5,651)	(15.6%)
Other current financial assets	1,023,361	554,350	469,011	84.6%
Other current assets	23,603	12,704	10,899	85.8%
<b>Total Current Assets</b>	<b>2,391,360</b>	<b>2,522,906</b>	<b>(131,546)</b>	<b>(5.2%)</b>
Investment property	61,917	61,917	0	-
Property, plant and equipment	1,303,260	1,317,239	(13,979)	(1.1%)
Deferred tax assets	16,664	15,552	1,112	7.2%
Other non-current assets	448	448	-	-
<b>Total Non-Current Assets</b>	<b>1,382,289</b>	<b>1,395,156</b>	<b>(12,867)</b>	<b>(0.9%)</b>
<b>TOTAL ASSETS</b>	<b>3,773,649</b>	<b>3,918,062</b>	<b>(144,413)</b>	<b>(3.7%)</b>
Short-term loans from bank	100,000	284,537	(184,537)	(64.9%)
Trade and other payables	208,052	339,687	(131,635)	(38.8%)
Current portion of lease liabilities	1,869	2,580	(711)	(27.6%)
Advances received from customers	40,297	46,646	(6,349)	(13.6%)
Dividend payable	6,622	6,117	505	8.3%
Accrued commission expenses	13,555	33,061	(19,506)	(59.0%)
Accrued transportation expenses	9,302	40,395	(31,093)	(77.0%)
Accrued income tax	5,335	5,862	(527)	(9.0%)
Other accrued expenses	35,594	49,608	(14,014)	(28.2%)
Other current liabilities	3,037	3,037	0	-
<b>Total Current Liabilities</b>	<b>423,663</b>	<b>811,530</b>	<b>(387,867)</b>	<b>(47.8%)</b>
Lease liabilities	0	1,869	(1,869)	(100.0%)
Liabilities under post-employment benefits	72,434	68,573	3,861	5.6%
<b>Total Non-Current Liabilities</b>	<b>72,434</b>	<b>70,442</b>	<b>1,992</b>	<b>2.8%</b>
<b>TOTAL LIABILITIES</b>	<b>496,097</b>	<b>881,972</b>	<b>(385,875)</b>	<b>(43.8%)</b>
Issued and fully paid-up 535,506,333 shares	535,506	535,506	-	-
Premium on share capital	55,091	55,091	-	-
Retained earnings - Appropriated for legal reserve	53,641	53,641	-	-
Retained earnings - Unappropriated	2,633,314	2,391,852	241,462	10.1%
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,277,552</b>	<b>3,036,090</b>	<b>241,462</b>	<b>8.0%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>3,773,649</b>	<b>3,918,062</b>	<b>(144,413)</b>	<b>(3.7%)</b>

### Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME (Thousand Baht)	2025	2024	Inc(Dec)	
			2025-2024	
Revenue from sales and services	3,870,201	4,576,929		(15.44%)
Costs of sales and services	2,966,659	3,545,936		(16.34%)
<b>Gross profit</b>	<b>903,542</b>	<b>1,030,993</b>		<b>(12.36%)</b>
Other income	212,501	254,861		(16.62%)
Selling and distribution expenses	202,906	340,612		(40.43%)
Administrative expenses	286,713	286,879		(0.06%)
Total expenses	489,619	627,491		(21.97%)
Finance costs	10,904	30,890		(64.70%)
Profit before income tax	615,520	627,473		(1.90%)
Income tax benefit (income tax expenses)	(15,276)	(29,920)		(48.94%)
<b>Profit for the period</b>	<b>600,244</b>	<b>597,553</b>		<b>0.45%</b>
<b>Total comprehensive income for the period</b>	<b>600,244</b>	<b>597,553</b>		<b>0.45%</b>
<b>Profit (Baht per share)</b>	<b>1.12</b>	<b>1.12</b>		<b>0.45%</b>

### Statement of Cash Flows

STATEMENT OF FINANCIAL POSITION (Thousand Baht)	2025	2024	Inc(Dec)	
			Thousand Baht	%
Net cash provided from (used in) operating activities	1,039,294	539,107	500,187	92.8%
Net cash used in investing activities	(542,712)	(209,194)	(333,518)	159.4%
Net cash provided from financing activities	(545,690)	(461,739)	(83,951)	18.2%
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(49,108)</b>	<b>(131,826)</b>	<b>82,718</b>	<b>(62.7%)</b>
Cash and cash equivalents at beginning of period	100,657	232,483	(131,826)	(56.7%)
<b>Cash and cash equivalents at end of period</b>	<b>51,549</b>	<b>100,657</b>	<b>(49,108)</b>	<b>(48.8%)</b>

## Financial Ratio

Financial Ratio		2023	2024	2568
<b>Liquidity Ratio</b>				
Liquidity ratio	times	2.4	3.1	5.6
Quick turnover ratio	times	1.3	1.6	3.2
Cash flow liquidity ratio	times	0.8	0.6	1.7
Accounts receivable turnover ratio	times	6.4	6.8	8.2
Average collection period	days	57	54	44
Finished goods turnover ratio	times	18.4	23.1	16.3
Average finished product sales period	days	20	16	22
Inventory turnover ratio	times	2.4	3.2	2.8
Average product sales period	days	153	114	131
Account payable turnover ratio	times	9.6	9.3	10.8
Payment period	days	38	39	34
Cash Cycle	days	172	129	142
<b>Profitability Ratio</b>				
Gross margin	%	17.6%	22.5%	23.3%
Operating profit margin	%	14.0%	15.5%	17.7%
Ratio of other income to total income	%	5.2%	5.3%	5.2%
Cash-to-profit ratio	%	207.1%	85.9%	168.8%
Net profit margin (Per gross income)	%	9.2%	12.4%	14.7%
Return On Equity : ROE	%	13.5%	20.6%	19.0%
<b>Efficiency Ratio</b>				
Sales growth	%	-27.4%	20.1%	-15.4%
Return on assets : ROA	%	11.8%	16.9%	16.3%
Return on fixed assets	%	34.2%	51.8%	53.0%
Asset turnover rate	times	1.0	1.2	1.1
Utilization Rate	%	55.4%	64.1%	63.5%
<b>Financial Policy Ratio</b>				
Debt to equity ratio	times	0.4	0.3	0.2
Interest Coverage Ratio	times	29.0	24.2	66.1
Interest bearing debt to EBITDA ratio	times	1.3	0.5	0.3
Coverage of obligation	times	3.0	1.2	2.3
Dividend rate	%	60.6%	60.0%	62.5%

Note:

1. Gross profit margin = Gross profit / Revenue from sales x 100
2. Net profit margin = Profit for the period / Total Income x 100
3. Return on equity = Profit for the period / Total Shareholders' Equity(average) x 100
4. Return on assets = Earnings Before Interest and Taxes (EBIT) / Total assets(average) x 100
5. Current Ratio = Current assets / Current liabilities
6. Quick Ratio = (Cash and cash equivalent + restricted cash + temporary investment + account receivable) / Current liabilities
7. Debt to Equity Ratio = Total Liabilities / Total Shareholders' Equity
8. Interest Coverage Ratio = Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) / Finance costs
9. Debt-Service Coverage Ratio = (Net profit + Depreciation) / Total Liabilities

### **Liquidity Ratios**

At the end of 2025, the Company's current ratio was 5.6 times, increasing from 3.1 times in 2024. The quick ratio was 3.2 times, increasing from 1.6 times in 2024. The cash flow ratio improved to 1.7 times from 0.6 times in 2024, mainly due to the Company's use of surplus cash to accelerate repayments of short-term loans from banks in order to reduce finance costs.

### **Profitability and Operating Efficiency Ratios**

In 2025, revenue from sales decreased by 15.4% compared to the prior year due to an overall economic slowdown. The average selling price also declined as the Company adjusted selling prices in line with the decrease in raw material (steel) prices in the global market. Nevertheless, the Company revised its sales strategy to focus on promoting higher value-added products. As a result, the proportion of sales of three-piece cylinders and other low-pressure cylinders increased, which typically have higher average selling prices than household LPG cylinders, thereby improving profitability. The gross profit margin increased from 22.5% in 2024 to 23.3%, while the net profit margin increased from 12.4% in 2024 to 14.7%. The return on equity slightly decreased from 20.6% in the prior year to 19.0%.

The Company's return on assets was close to the prior year, decreasing from 16.9% to 16.3%. Return on fixed assets increased from 51.8% in the prior year to 53.0%.

### **Financial Policy Ratios**

As at the end of 2025, under the Company's financial policy to maximize working capital efficiency, the Company accelerated repayments of short-term bank loans to reduce the interest burden, which had continued to increase in line with market interest rates. As a result, the Company's debt-to-equity ratio decreased from 0.3 times in 2024 to 0.2 times in 2025, while the debt service coverage ratio increased from 1.2 times in 2024 to 2.3 times in 2025.

In addition, interest-bearing liabilities to EBITDA decreased from 0.5 times in 2024 to 0.3 times in 2025 due to lower debt obligations. The interest coverage ratio increased from 24.2 times in 2024 to 66.1 times in 2025, mainly driven by the significant decrease in finance costs during the year.

In 2025, the Company paid dividends equivalent to 62.5% of net profit, in line with the Company's dividend policy.

### **Factors Impacting Future Operations and Growth**

Although in 2025, both the global and Thai economies faced uncertainties from various factors, the Company maintained its competitive advantage through prudent risk management strategies and a strong revenue structure derived primarily from exports, which accounted for more than 95% of total revenue. The Company managed foreign exchange risk through a Natural Hedge strategy by retaining foreign currencies received, such as U.S. dollars, to directly pay for raw materials purchased in the same currency, such as steel. In addition, the Company considered the use of other financial instruments, such as forward currency contracts, depending on market conditions, to mitigate risks arising from exchange rate volatility driven by multiple global factors.

Another positive factor was the continued decline in the cost of the Company's primary raw material—steel—compared to the prior year. This decline stemmed from the slowdown in China's economy, particularly in the real estate sector, resulting in an oversupply of steel in the global market. The decrease in raw material prices had a favorable impact on the Company's cost structure, improved production efficiency, and strengthened profitability.

Despite these positive developments, the Company continued to face challenges from volatile freight costs since Q2/2024 and changes in U.S. customs tariff policies since Q1/2025. Nevertheless, the Company promptly adapted its strategies by revising its sales plan, pricing policy, and delivery management in line with market conditions to minimize impacts.

Furthermore, the Company continued to closely monitor international trade policy developments, particularly U.S. trade relations with its trading partners under the Reciprocal Tariff policy, which may affect global economic direction. Import tariffs on goods from Thailand were concluded at 19%, an effective rate that still allows the Company to remain competitive with domestic producers and to maintain its competitiveness in the global market, thereby reinforcing investor confidence.

## **Sustainability Development**

According to the Company's vision, "To be the world leading gas cylinder manufacturer with consideration to the environment for sustainable growth" the Company incorporated key sustainability issues into its strategic plan and sustainability operations, with significant progress and achievements in 2025 as follows:

<b>General Sustainability Operations</b>	The Company received a SET ESG Ratings assessment result of AA in 2025 from the Stock Exchange of Thailand for the third consecutive year.
<b>Environmental Operations</b>	The Carbon Footprint Management Team developed action plans and established measures to reduce greenhouse gas emissions, together with setting clear targets. Progress was reported to management on a quarterly basis, and performance to date remained consistent with the established plan. On March 19, 2025, the Company was awarded the Carbon Footprint for Organization (CFO) certification by the Thailand Greenhouse Gas Management Organization (Public Organization). In addition, the Company studied and monitored the European Union's CBAM measures to assess potential impacts and prepare for compliance with relevant requirements.
<b>Social Operations</b>	The Company continued to implement its ongoing project to support public hospitals nationwide by providing medical equipment, including the Dinsaw Robot and Dinsaw Mini Robot, together with related medical devices. The initiative aims to support medical personnel in patient registration processes, in-room patient care during treatment, and centralized patient monitoring systems. In 2025, the Company donated Dinsaw Robots to several hospitals, including the University of Phayao Hospital, Phayao Hospital, Fort Khunchueangthammikkarat Hospital, Dok Kham Tai Hospital, and Mae Chai Hospital.
<b>Governance and Good Corporate Governance Operations</b>	The Company was awarded a 5-star "Excellent" rating in good corporate governance for the sixth consecutive year from the Corporate Governance Report of Thai Listed Companies (CGR) 2025. The Company was also ranked within the top 25% (Top Quartile) of all listed companies for the third consecutive year.

For sustainability development in 2026, at the Board of Directors' Meeting No. 6/2025 held on December 25, 2025, the Board reviewed and revised the Company's vision in order to response to the rapid changes of present and the future: "Global leader in sustainable gas cylinder business with innovative spirit for better lives." This reflects the Company's continued commitment to sustainability development, which will be incorporated into the strategic plan and sustainability operations framework for 2026 going forward.