

## Authorized power to control the company in the past year

Shareholder details presented under Section 1.3 Shareholder Structure of the Group

Changes in shareholding structure, management or business operations or significant events during the past 3 years

- None -

## General information of Company

Company name	People's Garment Public Company Limited " PG "
Type of Business	Textile and Garment Business
Registration number	0107537001552
Head quarter location	No.666, Rama3 Road, Bangpongpang, Yannawa, Bangkok, 10120
Telephone	0-2685-6500
Fax	0-2294-5159
Website	http://www.pg.co.th
Registered Capital	96,000,000 Baht
Common Stock	96,000,000 Shares
Par value	1 Baht
Fully Paid-Up capital	96,000,000 Baht
Associate/Subsidiary Company	- None -

## 1.2 Nature of business

### Income Structure

Sales revenue	2025 (ML. Baht)	%	2024 (ML. Baht)	%	2023 (ML. Baht)	%
<b>Domestic :</b>	432.66	71.49	511.09	66.04	527.64	75.00
Garment	407.24	67.29	492.41	63.62	505.45	71.85
Knitted Fabric	25.42	4.20	18.68	2.41	22.19	3.15
<b>Overseas :</b>	172.54	28.51	262.84	33.96	175.86	25.00
Garment	172.54	28.51	260.01	33.60	172.12	24.47
Knitted Fabric	-	-	2.83	0.34	3.76	0.53
<b>Total</b>	<b>605.20</b>	<b>100.00</b>	<b>773.93</b>	<b>100.00</b>	<b>703.52</b>	<b>100.00</b>

Quality development of personnel with both of Work skills and Morality Ethics, and social responsibility



Produce quality products that are safe and meet consumer needs including build confidence toward the organization.



Focus on social responsibility that is not only focusing on business growth but also giving importance and support to activities that benefit society and the environment in a sustainable manner.





### Textile products

The company has a production line for knitted fabrics at Kabin Buri branch with modern machinery and technology to enhance the efficiency of the production process.

### Garment products

The company’s main business is the production of ready-made garments including men’s and women’s clothing, swimwear, sportswear, men’s underwear and corporate wear / uniforms.

## Product Information

### Product and service characteristics and innovation development

People’s Garment Public Company Limited started its business as a ready-to-wear garment manufacturer since 1980. Later, it invested in the production of knitted fabric, the Company’s business operations were jointly with business partners to strengthen the business cycle from upstream to downstream, which the main products are as follows

### Textile product

The company has developed innovations in raw materials to meet the needs of customers to achieve the highest satisfaction and value by creating products under the principle that “It is a product that is safe for consumers and environmentally friendly”

The company has carried out activities to maintain product quality standards and safety standards against harmful paints and chemicals including continually focusing on reducing environmental impacts such as: -

- Certified to Quality System ISO 9001: 2015
- Certified to Environmental Management System ISO14001: 2015
- Certified to Green Industry Level 3 certification
- Certified to Products that are certified to reduction of Global warming: (Cool mode)
- Certified to Product for Energy saving “Energy saving label No.5”
- Global Recycled Standard Certification (GRS)

To be a guideline to reduce the impact on the environment in a sustainable way and together with supporting the vision of the organization **“We are fully committed to be leader to create quality products and services with innovation of apparel in Thailand”**

*“ We are fully committed to be leader to create quality products and services with innovation of apparel in Thailand”*

## Functional Textile

### “COOL MODE LABEL”

#### “Electricity Saving Label No. 5”

The product those are safe for consumers Free from chemicals and dyes that are safe from carcinogens and heavy metals. Strong fabric, durable color, absorbs sweat and transfers heat well. Comfortable to wear. Can be in a building or a room with an air conditioner temperature of 25°C without feeling Uncomfortable, no need to iron (Brand customers / uniform groups and customers who buy stretchable fabrics)

### “UPCYCLING” (Recycle polyester)

#### การเปลี่ยนขยะขวดพลาสติกสู่ผลิตภัณฑ์เสื้อผ้า

Products that are transformed by plastic bottles which are processed to be recycled fibers with environmentally friendly innovations and they are developed into valuable products.

The company has produced and distributed as Polo, T-shirts, and Round-neck T-shirts for uniform customers and any customers both domestic and international who continuously purchase stretch fabrics.

## SORONA by DUPONT

### Next-generation Bio-fiber and polymers for sustainability.

SORONA is fiber innovative material made from a blend of corn sugar and petroleum. This innovation reduces reliance on petroleum, making the raw materials more environmentally friendly and reducing energy generated by fossil is up to 37%. Fabrics made from SORONA fibers are soft, lightweight, flexible, and wrinkle-resistant. They are durable, quick-drying, and highly resistant to UV rays and chlorine, resulting in slower color fading.



## DRY TECH

### Innovation for comfortable wearing

This innovative fabric is designed for effective moisture management, wicking sweat away quickly, drying fast, offering excellent breathability, and odorless. It's ideal for modern polo shirts that prioritize comfort during wearing.



## Ready-To-Wear Garment

In 2025, the company has continuously developed the designs and raw materials for products under the “ARROW” brand to be more diverse and innovative.

: The “NEW YORK POLO and DRY TECH SMART POLO” collection of apparel that are designed to provide maximum comfort and efficiency while wearing, for agility and good ventilation, whether for exercise or general use in daily life.

: Slacks “ARROW” pants using the innovation of natural fibers extracted from corn “SORONA fiber” which can be recycled and naturally decomposed. In addition, in 2025, the company further developed and expanded its product line to jackets item under the “ARROW” brand, using SORONA by DUPONT fibers, which have been well-received by consumers.

The company therefore realizes the importance and there was another alternative to create sustainability and environmentally friendly of the textile and garment business. In addition, it creates value-added to existing and new customers and it also responds to the needs of consumers in terms of quality and reasonable prices.

## ARROW

### Innovation and Diversity



## Marketing and Competition

### Marketing policy

We are fully committed to be leader to create quality products and production processes with innovation of apparel in Thailand”. The main policy is to produce products that are safe for consumers and environmentally friendly, The Company has marketing strategies as follows:

- Produce quality products with reasonable prices
- Develop every step of the production process to increase both productivity and efficiency.
- Manage risks of raw material procurement to control costs to be competitive and maintain profit margins at an appropriate level.
- Develop a variety of products to expand new market bases and maintain balance for both existing and new customers.

Currently, consumer behavior has changed to use more online channels continuously. The company therefore cooperates and supports customers to generate sales in both offline and online channels, including various social media that can reach consumers quickly. Therefore, the company has developed products in terms of both styles and new materials to expand more new customers’ base.

Moreover, The Company also pays attention to the direction of production and the demand for textiles and garments in the global market are changing that the demand for environmentally friendly products to reduce global warming is more increasing. Leading clothing brands have ordered apparel made from recycled fibers, reducing water used, energy used, and organic cotton raw materials as it is a Green Product that protects the environment which is an alternative for consumers selection.

The company realizes the importance of these things; therefore, there has been a continuous cooperation with trade partners to produce such products under the brand ARROW and Uniform of various organizations such as Cool Mode shirts / Energy-saving shirts No.5 and Recycle Polo to support the organization's business strategy that is friendly to environment for sustainable growth and participate in reducing global warming as well.

## Foreign Markets

In 2025, the export amount was 172.54 million baht, compared to the previous year; it decreased of 90.30 million baht or 34.36 %.

The company exported to the United States, Europe, and Asia, accounting for 28 percent of total sales. In 2025, volume of exports sales of the United States and Europe have decreased due to the impact of reciprocal import tariffs in the United States, which are considered external factors. However, the company continues to focus on exports by working with trading company as we have always had good relations and it is including the following: -

- Customers have confidence in the potential of the company and they are confident in the quality of the products, including developing products which their styles are diversified and modern even there is still price competition from neighboring countries such as China, Vietnam, Laos, Indonesia, and Bangladesh, where labor costs are lower.
- The company has proactive marketing by offering a full range of products and new innovations from fabric design, fabric production, and pattern creation until making into ready-made clothes that they will be offered as sample to customers (Original Design Manufacturer: ODM) in Asia. It is a strategy to enhance competitiveness.

In 2025, the company has collaborated with partners to distribute Slacks continuously made from recycled fabric (Upcycling) that is environmentally friendly. The products were sold to potential customers who are interested in creating sustainable businesses.

### Distribution channels for foreign markets

1. Distributed through Trading Company
2. Direct sales to customers in the United States, Europe, Asia and ASEAN.

For the year 2026, the company continues to focus on expanding its markets into the United States, Europe, and the ASEAN Economic Community (AEC). The AEC, in particular, remains a high-potential market segment due to preferential import tariffs within ASEAN (AFTA/ATIGA). The company plans to expand its customer base to other countries by implementing a semi-automation system in its production processes to enhance its capacity to handle larger orders in the future and to achieve its organizational business goals.

## Domestic Markets

Sales of domestic garment still continue to use marketing strategies in promoting sales that stimulate the market of various apparel brands by reducing prices at department stores and various commercial areas as well as imports of ready-made garments from China, Vietnam, and Bangladesh which most of them are fashion styles with all ranges of price. Moreover, there is also importing newer brand-name products from abroad to sell in huge volume causing high competition to gain more market share.

The company has participated in proactive marketing with I.C.C. International Public Company Limited, which is a main customer and distributor.

- To regularly carry out surveys of customers' needs and satisfaction to ensure they are able to respond most of customers' requirements.
- Created marketing activities to attract target markets in consideration of brand image and the creating value for society.

- Developed and created innovation in order to response customers' needs for "to be quality and safe products for customers and environmentally friendly".

### Corporate Wear/ Uniform

As the company has expertise from design raw material selection producing quality products delivery of goods including having good service both before and after the sale; moreover, the company taking into account the principles of competition in terms of quality and reasonable price; as a result, the Company has become a manufacturer of Uniforms, both Work wear and Corporate wear for well-known organizations such as financial institutions, government sectors, state enterprises, private companies and many educational institutions.

The Company is aware of the importance of Product Quality, maintaining product quality standards and continually creating customer satisfaction with a standardized and accepted QC system.

In 2025, the company expanded market into Medical Uniform through Agent/Dealer and direct sales, which the products were trusted by customers and the sales volume were continuously growth. Currently, the Scrub set has been developed to have more diverse designs and materials. For example, features that help prevent bacteria or a more comfortable scrub so that it would be suitable for use in environments that require more mobility and fashionable. Therefore, scrub is still popular and widely used in the medical and nursing sectors all over the world including beauty salons.

### Domestic sales and distribution channels

1. The company has assigned ICC International PLC, a significant company and a key customer of the company, to be a distributor. Its main distribution channel comprises department stores, discount stores, modern trade and it also add online channels to be comply with the current marketing.
2. Distribution via Social Platform / E-commerce
3. Distribution via Outlet Mall
4. Direct distribution to customers of corporate uniforms, office wear, and Work wear to leading government, private organizations and state enterprises.

In 2025, the company's domestic sales amounted to 432.66 million baht, an decrease of 78.43 million baht or 15.65% due to the policy of purchasing products of main customers decreased. Regarding the garment section, Trademark competition remains an important factor. Most consumers still prefer counter-brand products. This year is an opportunity for consumers because the brand-name clothing groups are constantly expedited to launch sales promotions in order to manage high volume of inventory. Therefore, it is an opportunity for consumers to get good products at cheap prices.

In 2025, there were still a lot of second-hand and new branded name of clothing in the market; moreover, Thai market is still facing an influx of products from China and Japan with price competitiveness.

The company gains the sales from both main customers, ICC Co Ltd, Uniform customers, including OEM and ODM customers, which is accounting for 66% of total sales. The company is confident that the company's products are famous and accepted with international quality standards i.e. T-shirts, pants, Slacks, Men's underwear and Swimwear. The company focuses on selecting environmentally friendly raw materials to continuously produce products under the "ARROW" brand and House Brand products, including corporate customers, uniform groups and other customers, in order to realize the needs of today's consumers who pay attention to value products that are socially and environmentally responsible.

### Marketing Management Strategies

To create new options for customers and consumers, the company has cooperated with I.C.C. International Public Company Limited which is the main customer and distributor to apply strategies to present products as follows: -

1. Create "Fashion Trend" in advance by creating story board concept such as color concept, and mix & match of all products group, together with doing pre-collection. These strategies help making purchasing decision easier as one stop service; as a result, the customers satisfy with these operations and respond by purchasing more. Since, they have clearly visual merchandise so it supports doing marketing plan in advance.

2. Cooperation with customers in cost management in case of high-volume orders in order to increase competitive advantage for customer and gain more sale revenue both parties.

3. Adding distribution channel partners by selling products via LAZADA/ SHOPEE/ FRIDAY SHOP and TIK TOK, regarding, House Brand products, in order to expand the customer base and make the brand more well known. and can meet the needs of consumers who have a modern life style by ordering products on their smartphones.

The market of ready to wear garment is high competition in a wider range of distribution channels such as Department store, Modern trade and Convenience store included Social Platform that continually grows in every year as those channels are easily reached by consumers and faster response the customers' needs. This includes TV Shopping channels such as Happy Shopping / MV Mall / MA Shop / Shop Global and Mcot that allow manufacturers to communicate product innovations in a comprehensive manner, with an increasing growth rate, which the company has been continuously implementing.

In 2025, the company has changed its strategy by offering a wider range of products and innovations that customers and consumers needed, together with seeking new customers to increase sales volume. The company also modifies working process to control overall costs including a plan to enhance the efficiency of the production process by implementing semi-automation systems. In addition, the company also focus on the reduction of raw material costs, production costs, administration costs and financial costs in order to have competitive cost and expenses leading to competition ability in both domestic and international market.

For business operations in 2026, the company has closely monitored various internal and external situations including business trends in order to adjust strategies of business operations to keep up with rapidly changing situations. The company is aware of risk management in business operations to prevent and reduce risks to an appropriate and acceptable level and it still maintain a business to be sustainable; moreover, the company will continuously develop in various areas as follows:

- Create a brand identity distinctly and communicate the identity to meet customer needs.
- Develop sales channels via social platform to reach more target customers.
- Choose environmentally friendly materials and focus on production methods that minimize environmental impact.
- Create flexibility in the production process to respond to changing of market situations.
- Develop of production technologies by applying semi-automation systems to increase production efficiency and manage costs competitively.

## **Textile and garment situation of the year 2025 and Trend of the year 2026**

The overall Thai garment industry is on a continuous downward trend between 2016 and 2025; the production index is projected to contract by an average of 6.6% annually, while the capacity utilization rate has decreased to be only 46.1% from 64.8% meanwhile Exports situations are expected to contract by an average of 1.3% annually. Looking ahead to 2025, we're starting to see some positive signs, with production expanding by 3.7% and exports increasing by 5.2% equivalent to amount of \$2,014 million. However, garment imports are accelerating sharply; it was growing at an average annual rate of 9.1% and reaching \$1,713 million. In 2025, it is more than half of imported garment were coming from China and Vietnam. This reflects the fact that the domestic market is being heavily impacted by cheap imported goods, and the trade balance, which was previously in surplus, is moving towards to be a deficit.

### **Contract production**

Thailand's garment industry still mainly relies on OEMs and many manufacturers are merely "Manufacturing factory," resulting in price bargaining power is still dominated by foreign buyers as the global economy still fluctuates. Buyers can immediately reduce orders, postpone production, or relocate production to other countries, while Thai manufacturers bear the full risk.

### **Cost and productivity**

Currently, the average labor cost in Thailand is around \$325-386 per month, compared to \$103-133 in Bangladesh and \$131-188 in Vietnam. This places Thailand's labor costs significantly higher than main competitors. However, a clear advantage in productivity has not yet been realized, many Thai factories still use traditional production processes which are rely mainly on manual labor, and facing limitations in adopting automation or digital systems.

A labor-intensive production structure results in high unit costs, low production speeds, and a lack of flexibility; meanwhile, the global market, particularly fast fashion, demands small batches of production, and the ability to constantly adjust production size, it causes this productivity gap thus becomes a structural disadvantage.

## Price competition

Many businesses are forced to accept lower profit margins to maintain short-term orders, while their share of value derived from the overall industry chain remains low. They also face competition from countries that are constantly ready to undercut prices, undermining long-term investment and development potential.

## Supply chain

Although Thailand has a relatively complete textile supply chain; however, the links between upstream, midstream, and downstream is not strong enough. Many garment factories rely on imported raw materials, while domestically produced raw materials are exported for processing abroad.

Thailand's ready-made garment export market remains concentrated in traditional markets, particularly the United States, which accounts for over 40% while reliance on a few large markets may provide short-term stability but it significantly increases vulnerability in the long term.

Looking ahead to 2026, the Thai ready-made garment industry continues to face uncertainty from trade wars, competition from major producing countries, and new environmental regulations, it forces businesses to adapt simultaneously in multiple areas (while Thailand's global market share is projected to fall below 0.5%) which details are as below;-

1. The uncertainty from the trade war that makes production and export planning more difficult, while Thailand may benefit from trade diversion at certain times, the volatility of costs, raw materials, and orders makes these benefits uncertain and unsustainable.

2. Competition from major producing countries is becoming increasingly fierce.

- China continues to dominate the global market share due to its advantages in manufacturing scale, technology, and ability to control the entire supply chain.- Bangladesh leverages its low labor costs to dominate the European market for mass-market products.

- Vietnam has advantages in both cost and its network of free trade agreements.

- India has both domestic raw materials and a large domestic market, which helps support the expansion of production capacity.

3. Rapidly changing of consumer behavior demands affordable products that are quickly produced and offer greater variety together with higher expectations across multiple dimensions inevitably lead to increased production costs.

4. Environmental regulations are stricter, particularly measures like the European Union's CBAM (Carbon Border Adjustment Mechanism), will determine new costs on manufacturers who have not yet been able to adapt their production processes to be more environmentally friendly.

By 2026, businesses should consider investing in technology in a step-by-step manner, focusing on specialized skills, preparing for sustainability, building brands, collaborating with partners, or reaching end consumers directly.

Source and reference: Bangkok Bank (SME Club: SME Social Planet)

## Product procurement

### 1. Characteristics of procurement of products

The company has a head office and 2 factories with a production policy are "according to customer orders" and some companies sell directly to consumers

#### Headquarter

No.666, Rama3 Road,  
Bangpongpan, Yannawa,  
Bangkok, 10120

**Management & Administrative center and Swimwear manufacturer**

#### Lamphun Plant

No. 77, M.6 Lampang-Chiangmai Road, Bannklang, Amphur Muang, Lamphun province, 51000

**Production of Ready-to-wear garments**

#### Kabinburi Plant

No.216, M.5 Suwannasorn Road, Nontri, Amphur Kabinburi, Prachinburi province, 25110

**Production of Knitted fabrics and ready-to-wear garments**

## 2. Production capacity and production volume

	2025	2024	2023
<b>Production capacity (Unit: Piece)</b>			
- Men and Women's wear	1,200,000	1,200,000	1,500,000
- Swimwear	72,000	72,000	72,000
- Underwear	1,440,000	1,440,000	2,400,000
<b>Total</b>	<b>2,712,000</b>	<b>2,712,000</b>	<b>3,972,000</b>
<b>Actual production volume</b>			
- Men and Women's wear	892,549	974,458	1,349,561
- Swimwear	46,960	38,988	59,352
- Underwear	1,329,809	1,409,355	1,919,893
<b>Total</b>	<b>2,269,318</b>	<b>2,422,801</b>	<b>3,328,806</b>
<b>Capacity Utilization (%)</b>	<b>83.68</b>	<b>89.34</b>	<b>83.81</b>

## 3. Material procurement and raw material suppliers (Supplier)

The company manufactures ready-made garments and knitted fabrics which the main raw materials used in production is knitted fabric, woven fabric, yarn, sewing equipment, buttons, zippers, decorative accessories, and packaging such as plastic bags, cardboard boxes, and name labels. Moreover, some raw materials are sourced from domestic manufacturers, while others are imported, to ensure quality standards and efficient cost management. Furthermore, the company promotes the sourcing of raw materials that are environmentally friendly and socially responsible by supporting the use of fabrics and knitting yarns that are certified to environmental standards.

In 2025, the company had a total of 222 business partners, comprising of 172 domestic partners (77%) and 50 international partners (23%). The procurement processes are separated to be document verification, and approval in a hierarchical structure. Annual vendor evaluations are conducted focusing on price, delivery, and product and service quality.

Group of Supplier	2025	2024	2023
A 90 - 100 Score	182	192	195
B 80 - 90 Score	12	18	4
C Below 80 Score	28	-	-
<b>Total</b>	<b>222</b>	<b>210</b>	<b>199</b>

**Knitted fabrics section**, we use products from the company's Knitting fabric factory, which is an advantage that the company is a complete Knitting garment manufacturer from designing, knitting and manufacturing processes into ready-made garments and has continuously developed both production processes and products that are environmentally friendly.

**The company's products have passed international standards in term of chemicals that are safe for consumers and are accepted by both domestic and foreign customers.** The company has received good cooperation from partners in controlling chemicals to meet the standards of REACH and under the environmental management system of ISO14001 standards for the purchase of knitting yarn raw materials within the country. The company will take into account upstream raw material sources that most of them are from Australia and America, which are internationally recognized upstream raw materials.

The raw materials used to produce knitted fabrics and ready-made garments are mostly natural fibers. In dyeing and finishing, the company selects suppliers to ensure that the products are safe for consumers.

- Use chemicals that are certified to Oeko-Tex Standard 100 standards.
- Avoid using formaldehyde and carcinogens.
- Most packaging materials are recyclable.

Besides, the certification from partners, the company is also the one who applies for certification of products with Green Procurement processes in Recycle products that come from recycling PET bottles to be melt and being transformed into fibers and then weave them into raw materials to produce for being products. The products are certified to Green Products according to the Global Recycle Standard (GRS) certification.

In 202, the company has ordered main raw materials and other raw materials from many distributors, each of them has a purchase amount not exceeding 10% of the total purchase amount, and this is in order to manage risks in procurement and in accordance with the fair and transparent procurement policy with all partners.

### Operational Assets

Details are in enclosure No. 4

### Work that has not yet been delivered

- None –

## 1.3 Shareholders Structure

### Shareholding structure

#### Company’s securities

People’s Garment Public Company Limited is listed company in the Stock Exchange of Thailand having “PG” as the abbreviation. The registered capital is 96 million baht which paid up all amount and divided into ordinary shares 96 million shares at valued 1 baht per share.

**The Company has never issued other securities except ordinary share.**

In 2024, the Company has changed its shareholding structure. On October 17, 2024, Sahapathana Inter-Holding Public Company Limited (SPI) held 40,696,764 PG shares, representing 42.39 percent. On December 30, 2025, SPI held 45,117,830 PG shares, representing 46.998 percent, becoming the Company’s major shareholder.

#### 1. The top 10 major shareholders as of closing date on December 30, 2025

Shareholders	Number of Shares	%
1. Sahapathana Inter-holding Public Company Limited	45,117,830	46.998
2. Sahapathanapibul Public Company Limited	8,450,000	8.802
3. ICC International Public Company Limited	5,040,000	5.250
4. TRIKA Co., Ltd.	4,965,533	5.172
5. E-commerce Digital Thai Holding Co., Ltd.	4,599,000	4.791
6. Mr. Sakunphat Jirawuthitanant	2,461,000	2.564
7 First United Industry Co., Ltd.	1,500,000	1.563
8. BSC So In Co., Ltd.	1,500,000	1.563
9. Mrs. Sirina Pavarolavidya	1,468,133	1.529
10. Mr. Boonkiet Chokwatana	1,200,000	1.250

**Remark :** Investors can update the shareholders information at the Company’s website ([www.pg.co.th](http://www.pg.co.th), “Investor Relations: Shareholders Structure”) before commencement of the annual general meeting of shareholders.