

## The Board of Directors Report

Mr. Manu Leelanuwatana

Chairman



The global economy in 2024 still faced a slow-down, influenced by the economies of two great hegemony: the United States and China, amidst risks stemming from geopolitical disagreements including the war between Russia and Ukraine as well as prolonged tensions in the Middle East, and high volatility of the global economic and financial systems. However, Thailand's economy in 2024 showed growth prospects as compared to the previous year, supported by the recovery of the tourism sector, exports, and continuous improvement in consumption of the private sector. Despite that, it still faced pressure from floods in various provinces and rising household debt. Furthermore, Artificial Intelligence (AI) technology has become increasingly important in both daily life and the business sector, helping to drive the economy and enhance competitiveness in the digital era.

In 2024, despite facing more intense competition, Thai Wacoal Public Company Limited remained committed to continuous adaptation and development to maintain competitiveness and sustainable growth amidst the challenges. It relies on Wacoal's strengths as a foundation for developing new innovations, improving the quality and standards of products and services, and effectively meeting customer needs, alongside conducting business with social and environmental responsibility. This commitment is reflected in Wacoal's three lingerie models, which are the first in Thailand to receive “**Circular Mark**” certification for using recycled fibers processed from discarded fishing nets and PET bottles, reinforcing the Company's intention to drive business towards sustainability according to the circular economy concept, with an emphasis on managing resources efficiently and for maximum benefit. In addition, the Company continued on the “**Wacoal Pink Ribbon, Fight Against Breast Cancer**” project for a consecutive 25<sup>th</sup> year period to encourage Thai women to recognize the importance of breast health care, as well as continued on the “**Wacoal BRADAY: Old Bras, We Ask For**” project for the 13<sup>th</sup> consecutive year by systematically managing and properly disposing of used lingerie products, which helps reduce environmental impact, particularly reducing PM 2.5 particles and carbon dioxide emissions by more than 785 TonCO<sub>2</sub>e, equivalent to planting 65,448 trees.

In terms of operating results, the Company and its subsidiaries in 2024 generated Baht 3,506.67 million in sales, reflecting a 2.83% decrease, and Baht 24.28 million in net profit, reflecting a 69.06% decrease. However, the Board of Directors has considered the Company's performance and financial position and deemed it appropriate to propose to the 56<sup>th</sup> Annual General Meeting the payment of dividends for the year 2024 of Baht 0.60 per share, reflecting dividend payout ratio of 296.54%, to be paid on May 27, 2025, which would constitute the Company's 52<sup>nd</sup> consecutive year of dividend payment.

One of the Company's core values is working and living based on love and mutual trust. Therefore, the Company emphasizes respect for and compliance with human rights principles for all stakeholders throughout the value chain, especially employees, who are considered a key force in driving the organization

to success. With a commitment to developing and promoting the potential of personnel, the Company provides opportunities for talented employees to grow and fully demonstrate their potential, without limitations of age, gender, or belief, while supporting the creation of a working environment conducive to continuous learning and development, along with bringing in Artificial Intelligence (AI) technology to apply in management to increase work efficiency and upgrade the organization's competitiveness to keep pace with the changing business world. At the same time, the Board of Directors emphasizes the development of a good corporate governance system to ensure that business operations are efficient, transparent, and auditable, which is reflected in the Company being granted “**Excellent**” CG rating for the 10<sup>th</sup> consecutive year from the 2024 Survey of Good Corporate Governance practices for listed companies.

On behalf of the Board of Directors, I would like to express my gratitude to all stakeholders for their continued cooperation and support of the Company's operations. The Company sincerely hopes to receive that support to jointly drive the organization to overcome all challenges towards a stable and sustainable future going forward.



(Mr. Manu Leelanuwatana)

**Chairman**