



CHOW.313/2026

27 February 2026

Subject : Management's Discussion and Analysis for the year ended 31 December 2025

Attention : Committee and Manager, The Stock Exchange of Thailand

Refer to : The Regulation of the Stock Exchange of Thailand in regards with the preparation and submission of the financial Statements and reports on financial condition and results of operations of the Company Act 2001

Chow Bright Ventures Holdings Public Company Limited would like to declare its consolidated operating results for year ended 31 December 2025 and consolidated statement of financial position as of 31 December 2025. The analysis topics are as follows.

1. Management Discussion & Analysis
2. Consolidated Operating Result Analysis
3. Consolidated Statement of Financial Position Analysis
4. Consolidated Statement of Cash Flows Analysis
5. Update progress regarding of the notification letter received by the Group from the Department of Industrial Works and the Thai Industrial Standards Institute.
6. Update progress on the partial business transfer related to the steel manufacturing and trading business to a subsidiary company.

1. Management Discussion & Analysis

Following the completion of a partial business transfer of certain business operations related to the production of steel billets and round steel bars to the subsidiary, Chow Steel Manufacturing Company Limited (“CSM”), in December 2025, the Company plans to transfer the business unit related to the trading of steel products (“Trading”) to another subsidiary, CBVH Trading Company Limited (“CBVH Trading”), within the first quarter of 2026. In addition, in the second quarter of 2026, the Company plans to restructure its organization into a holding company structure with the objective of investment management. The Company aims to focus on the efficient allocation of capital to businesses with strong potential and favorable growth prospects in order to create sustainable long-term value for shareholders and stakeholders, while maintaining effective financial cost management and appropriate risk management.

Steel Business

In 2025, the overall operating performance of the steel business recorded a net profit of approximately Baht 56 million, excluding gains from the partial business transfer to subsidiaries. During the second and third quarters of the year, the Company was required to suspend production and sales operations due to delays in the approval process for the transfer of industrial product licenses and the authorization to display embossed identification marks on products by relevant government authorities. Such delays resulted in the Company losing opportunities to manufacture and sell products in accordance with customer purchase orders, while continuing to incur fixed costs throughout the production suspension period. Consequently, the operating results of the steel business in 2025 were below the targets set by the Company. The Company began to receive new customer orders and production orders again toward the end of the fourth quarter of 2025.

2026’s Outlook for Steel Business Growth Factors

Positive Factors:

- Based on forecasts, Thailand’s economic growth in 2026 is expected to range between 1.6% and 2.0%, which is anticipated to support a recovery in the construction sector of the real estate market. Accordingly, domestic demand for reinforcing steel bars in Thailand is expected to show signs of recovery and growth.
- Consumers have increasingly recognized the importance of using high-quality steel products that meet relevant standards as raw materials for construction projects. In addition, greater emphasis is being placed on products manufactured through environmentally friendly production processes. This trend may create long-term value for steel producers and serve as a protective factor against low-priced imported steel products whose quality cannot be effectively verified.

Negative Factors:

- Prices of reinforcing steel bars in Thailand continue to face downward pressure from low-priced steel imports from overseas, partly because of the European Union’s Carbon Border Adjustment Mechanism (CBAM). This may adversely affect the growth of the Company and domestic steel manufacturers and could result in steel prices remaining below expected levels.
- The development of environmentally concerned steel products requires increased investment in production processes and machinery, which may lead to higher capital expenditure and operating costs.

Renewable Energy Business

The renewable energy business group has continued to demonstrate steady growth through both organic and inorganic expansion. In September 2025, the Group successfully completed the acquisition of a 100% equity interest in an unrelated company in Thailand operating a solar power plant (solar farm) project with a total installed capacity of 10 megawatts. The project has already achieved Commercial Operation Date (COD), enabling the Group to immediately recognize revenue and operating results from the investment. In addition, the Group has progressively entered into an increasing number of Power Purchase Agreements (PPAs). As of the present date, the Group's portfolio comprises power generation projects that are already selling electricity, projects that have completed construction and are in the process of obtaining grid connection approvals, projects under development and construction, as well as projects currently under negotiation for PPAs in both Thailand and overseas. The total combined capacity of such projects amounts to not less than 450 megawatts.

2026's Outlook for Renewable Energy Growth Factors

Positive Factors:

- Government policy support aimed at transitioning Thailand toward a low-carbon society, including the acceleration of the national Net Zero target from 2065 to 2050, representing an advancement of 15 years.
- Supportive government investment promotion policies, particularly the approval of data center projects to position Thailand as a regional digital hub. The data center industry is classified under the "Thailand FastPass" initiative, which is expected to drive increased demand for electricity generated from alternative energy sources.
- Financial institutions and private sector entities have increasingly adopted ESG objectives and carbon reduction targets in their production and service processes, leading to rising market demand for clean and renewable energy.

Negative Factors:

- Potential discontinuity or changes in government support policies in the event of a change in administration, which may affect the continuity of investment incentives and regulatory frameworks.
- Volatility in the prices of key equipment, such as solar panels, which tend to fluctuate in line with increasing demand. This may result in higher installation costs for power generation systems.
- Delays and procedural redundancies in obtaining permits and approvals from relevant government authorities, which may affect project timelines.

Sustainable Corporate Development: ESG

The Group has begun to apply the concept of sustainable corporate development: ESG to its management practices, integrating environmental, social, and governance responsibilities into all processes in a transparent and auditable manner. The company believes that developing the organization under the ESG framework will enable the group to grow and coexist with society sustainably, rather than simply conducting business to generate returns for stakeholders. Implementing ESG into the organization's development takes time, cost, and a sense of responsibility among all employees. The company is committed to achieving its goals and has established an ESG working group to oversee its implementation in each business segment.

Steel Business: The Group has been certified and granted labeling for 1) the Carbon Footprint of Products, and 2) the Carbon Footprint of Circular Economy Products, by the Thailand Greenhouse Gas Management Organization.

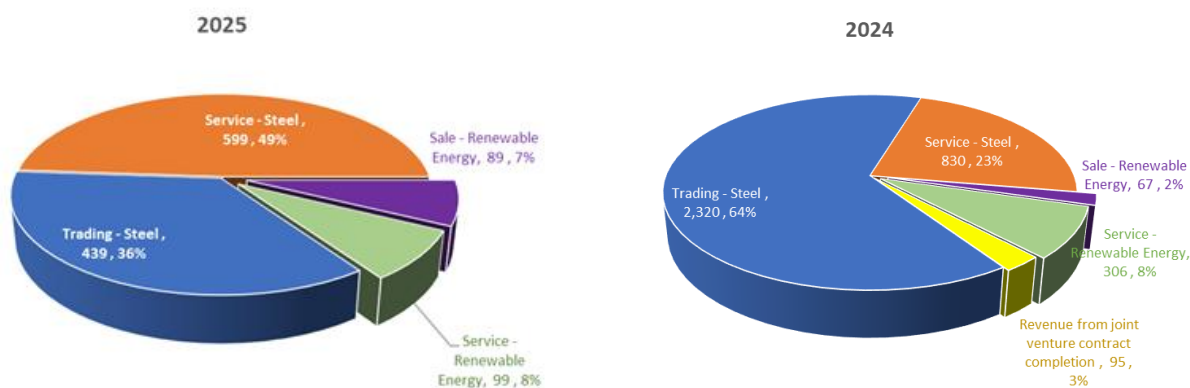
Renewable Energy Business: The company is in the process of developing an Environmental and Social Management System (ESMS) in accordance with the World Bank Group's IFC Performance Standards. This system will cover the company's environmental, social, and occupational health and safety (OHS) policies and procedures. In addition, the Group has also received the ISO 14001 certification, which is related the environmental management system standards, since the year 2024.

2. Consolidated Operating Result Analysis

Significant Financial Information - Operating Results	FY 2025	FY 2024	Changes YoY	
	MB	MB	MB	%
Sale and service income	1,225.66	3,522.09	(2,296.43)	-65.2%
Revenue from the delivery of work under JV agreement	-	95.09	(95.09)	-100.0%
Total revenue	1,225.66	3,617.18	(2,391.52)	-66.1%
Cost of sale and service	(1,072.65)	(3,352.71)	2,280.06	68.0%
Profit margin	153.01	264.47	(111.46)	-42.1%
% Profit margin	12.5%	7.3%	4.7%	63.7%
Gain on sales of investments and solar power plants	-	6.27	(6.27)	-100.0%
Other income	58.14	42.64	15.50	36.4%
Gain on exchange rate, net	17.23	14.02	3.21	22.9%
Selling and administrative expenses	(157.94)	(140.59)	(17.34)	-12.3%
Profit from continued operation	70.44	186.80	(116.36)	-62.3%
Share of profit (loss) from investments in joint ventures	9.69	1.54	8.15	529.1%
Finance cost	(21.66)	(28.88)	7.22	25.0%
Income tax	2.69	1.89	0.80	-42.4%
Profit (loss) for the period	61.17	161.36	(100.18)	62.1%
Earnings per share (Baht/ share)	0.073	0.185	(0.112)	-60.5%

Revenue movement analysis

In 2025, the Group reported consolidated revenue of THB 1,225 million. Of this amount, THB 1,038 million was derived from the steel business, representing approximately 85 percent of total revenue. The remaining THB 188 million was contributed by the renewable energy segment.



Steel Business

- **Revenue from Sales and Services** In 2025, the Company recorded total sales of THB 439 million and service revenue of THB 599 million. In comparison, the previous year reported sales of THB 2,320 million and service revenue of THB 830 million. The significant decline was primarily attributable to the steel business segment, as the Company was required to suspend production and sales during the second and third quarters, with the impact extending into the fourth quarter. This suspension resulted from delays in the approval process for the transfer of industrial product licenses and the authorization to emboss abbreviated marks on products by government authorities. Consequently, the Company lost opportunities to manufacture and deliver products in accordance with customer orders, leading to a substantial decrease in sales revenue from the steel business compared to the prior year.

Renewable Energy Business

- **Sales:** In 2025, the Group reported total sales revenue of THB 89 million, a slight increase from THB 67 million in the previous year. This growth was primarily driven by electricity sales from the Group's power plant project in Japan and sales of electrical equipment during the year, in line with the expansion of the alternative energy business in Thailand.
- **Service Revenue:** Service revenue declined as most of the power plant construction projects were completed and delivered to customers in 2024. In addition, the Group restructured its EPC service operations to be carried out under a joint venture starting from early 2024. As a result, the alternative energy segment has shifted its revenue recognition model to recognizing the share of profit from investments in joint ventures, consistent with the accounting treatment applied to solar power plant operations in Thailand.

Gross Profit and Gross Profit Margin

In 2025, the Group reported a gross profit of THB 153 million, representing 12.5 %, compared to THB 264 million (7.3 %) in 2024. The decline in gross profit was primarily due to the suspension of production and sales in the steel business during the second and third quarters of the year. However, the gross margin improved by an average of 5% compared to the prior year. This improvement was largely attributable to the steel business, which continued to generate service revenue from contract manufacturing arrangements, while overall revenue decreased. As a result, the gross margin ratio increased despite the lower sales volume.

Selling and Administrative Expenses

The selling and administrative expenses, in current period, amounted to THB 158 million, an increase of approximately THB 17 million from the prior year. The increase was mainly attributable to legal advisory fees incurred both domestically and internationally. In addition, certain direct expenses related to the steel business—such as employee salaries, utilities, and depreciation—were reclassified as administrative expenses during the suspension of production, adding approximately THB 5 million.

3. Analysis of Consolidated financial position as at 31 December 2025

Consolidated Statement of Financial Position	31-Dec-25	31 Dec 24	Changes	
	Mb	Mb	Mb	%
ASSETS				
Current assets	712.28	1,492.98	(780.70)	-52.3%
Non-current assets	2,301.31	2,085.91	215.40	10.3%
Total Assets	3,013.58	3,578.89	(565.30)	-15.8%
Liabilities and Equity				
Liabilities				
Current liabilities	561.51	1,161.36	(599.85)	-51.7%
Non-current liabilities	84.90	77.05	7.85	10.2%
Total Liabilities	646.41	1,238.42	(592.00)	-47.8%
Shareholders' equity	2,367.17	2,340.47	26.70	1.1%
Total Liabilities and Equity	3,013.58	3,578.89	(565.30)	-15.8%

Total Assets

As of December 31, 2025, the Group reported total assets of THB 3,014 million, a decrease of THB 565 million from the prior year, primarily due to the following factors:

- **Cash and Cash Equivalents:** Declined mainly from the repayment of short-term borrowings to financial institutions amounting to THB 211 million and repayments to investors of THB 105 million during the period. Trade receivables and contract assets also decreased by THB 494 million, following the delivery of EPC projects to customers and subsequent collections in line with the Group's normal credit terms.
- **Non-Current Assets:** Increased due to investments in joint ventures. The Group expanded its investment in the renewable energy segment through a joint venture with BlackRock, adding THB 266 million to support new solar power plant projects entering into PPA agreements with customers.
- **Property, Plant, and Equipment:** Net decrease of THB 60 million, primarily from depreciation charges during 2025.
- **Reclassification of Tax Receivables:** The Group reclassified receivables from the Revenue Department awaiting tax refunds from current assets to non-current assets.

Total Liabilities

As of December 31, 2025, the Group reported total liabilities of THB 646 million, a decrease of THB 592 million from the prior year.

Key movements included:

- **Repayment of Short-Term Borrowings:** Net repayments of THB 211 million to financial institutions and THB 105 million to investors during the period.
- **Trade and Other Payables:** Decreased by THB 298 million, primarily due to payments for goods and construction costs related to solar power plants, in line with the Group's normal payment schedule.

Total Shareholders' equity: As of December 31, 2025, total shareholders' equity increased by THB 27 million. The increase was mainly attributable to net profit of THB 61 million generated during the year, offset by a foreign currency translation adjustment loss, recognized directly to shareholders' equity, of THB 32 million.

4. Analysis of Cashflow Statement

Summary of Consolidated Statement of Cashflow	Mb
Net cash in-flows from operating activities	338.70
Net cash out-flows from investing activities	(232.62)
Net cash out-flows from financing activities	(319.45)
Changes in translation adjustments	(43.62)
Net decreased in cash and cash equivalents	(256.99)
Cash and cash equivalent - beginning of the period	332.02
Cash and cash equivalent - end of the period	<u>75.02</u>

Cash Flows from Operating Activities

In 2025, the Group generated net cash inflows from operating activities of THB 338 million, comprising THB 370 million from operations during the period, offset by net interest and income tax payments totaling THB 32 million.

Cash Flows from Investing Activities

During the year, the Group increased its investment in the renewable energy segment by THB 266 million, representing a 51 percent equity stake in a joint venture solar power plant project with BlackRock. In addition, the Group received THB 36 million from the redemption of pledged bank deposits.

Cash Flows from Financing Activities

The Group repaid short-term borrowings of THB 105 million to non-related parties and net repayments of THB 211 million to financial institutions during the period.

Contingent Liabilities

The Group is in the process of appealing a tax assessment from the Revenue Department since 2019, amounting to 31 million Baht, which is under process of consideration by Revenue Department. The Group has provided a full letter of guarantee. The Company has not recorded a provision for liabilities in the financial statements because management has submitted complete evidence to the Revenue Department at the appeal stage. Therefore, it is believed that the appeals committee will consider the additional evidence, which is beneficial to the Company, and no adverse impact will occur.

5. Progress update regarding the official notification received from the Department of Industrial Works and the Thai Industrial Standards Institute (TIS)

In April 2025, the Group received letters from the Department of Industrial Works (“DIW”) and the Thai Industrial Standards Institute (“TIS”), with the following key matters:

5.1 The Department of Industrial Works (“DIW”) issued a letter requesting the Group to undertake the following actions:

- Chow Steel Manufacturing Company Limited is required to rectify and improve the factory to reflect actual conditions regarding the authorized machinery, the storage of raw materials, by-products from the production process, the management of water in the machinery cooling system, as well as the overall working environment within the factory. These improvements must be in accordance with the requirements stipulated in the Environmental Impact Assessment report and safety measures for factory operations concerning the working environment. Chow Steel Manufacturing Company Limited is required to complete these actions by 23 May 2025.
- Currently, Chow Steel Manufacturing Co., Ltd. has completed the necessary corrective actions, and the Department of Industrial Works has issued a letter lifting the suspension order related to all the aforementioned violations. However, in the event that Chow Steel Manufacturing Co., Ltd. intends to modify or add new machinery for use in the production process, the company is required to submit an application to amend the Environmental Impact Assessment (EIA) report. This application must be submitted to the Office of Natural Resources and Environmental Policy and Planning (ONEP) for approval. Chow Steel Manufacturing Co., Ltd. is undertaking the preparation of the aforementioned report.

5.2 The Thai Industrial Standards Institute (“TIS”) also sent a letter to the Group, which includes the following:

- The letter informs the Group of the results of the quality inspection of products manufactured by the Group. TIS indicated that some products do not meet industrial product standards, and as a result, the Group is requested to provide production and sales data for the production lot that was inspected and found to be non-compliant with the standards specified by TIS. Additionally, the Company is required to recall the non-compliant industrial products for further action as per the regulations. Furthermore, the Company is required to rectify and improve the products to meet the specified standards within 30 days. The Group has duly submitted all relevant documentation to the Thai Industrial Standards Institute (TIS) within the stipulated timeframe.
- Company has improved its production processes and is confident that the products manufactured will comply with the prescribed industrial standards. The Company has produced the first batch of sample products and invited officials from the Thai Industrial Standards Institute (TIS) to collect samples for testing to verify compliance with the industrial standards. Management is confident that the products manufactured following the production process improvements will meet the required standards and will obtain approval for production at the earliest possible time.
- At present, the sample product inspection has been completed by the government authorities. The Thai Industrial Standards Institute (TIS) is in the process of consolidating the inspection results and is expected to formally notify the Company of the official test outcome in the first quarter of 2026. The Company is confident that the result of inspection is comply with industrial product standards.

5.3 Transfer of Industrial Product Manufacturing License

At the end of 2024, the Company transferred the rights to operate the factory within the industrial estate to Chow Steel Manufacturing Co., Ltd., a subsidiary of the Company. The Prachinburi Provincial Industry Office has issued a factory operation certificate under Section 30 of the Factory Act B.E. 2535 (1992) to Chow Steel Manufacturing Co., Ltd. (the "New Factory Certificate"). In order for Chow Steel Manufacturing Co., Ltd., the transferee of the factory operation rights, to continue producing steel products of the relevant types, on 4 February 2025, the Company submitted an application to transfer its industrial product manufacturing license to Chow Steel Manufacturing Co., Ltd. The application was submitted to the Thai Industrial Standards Institute (TIS). Concurrently, Chow Steel Manufacturing Co., Ltd., as the license transferee, applied to TIS to use the abbreviation "CSI," which was the original abbreviation used by the Company, so that the "CSI" mark could be embossed on the produced steel products. However, TIS is still in the process of considering the application for the transfer of the industrial product manufacturing license because TISI requires a confirmation letter from the Prachinburi Provincial Industry Office regarding the status of the New Factory Certificate issued to Chow Steel Manufacturing Co., Ltd., as mentioned above. This has resulted in TIS also not yet completing its consideration of the application for the use of the abbreviation 'CSI'.

Update the License Transfer Status

On September 3, 2025, the Thai Industrial Standards Institute (TIS) issued an official approval for the transfer of all industrial product licenses from Chow Bright Ventures Holdings Public Company Limited to Chow Steel Manufacturing Company Limited ("CSM"). Subsequently, on September 8, 2025, TIS granted authorization for CSM to emboss the abbreviated mark "CSI" on its products, in place of the full company name, as part of the official industrial product standard certification.

6. Progress on Business Transfer Related to Steel Production and Distribution

As of February 27, 2026, the Company wishes to report that the transfer of licenses and the operations related to the production of steel billets and steel bars to its subsidiary has been fully completed.

Yours sincerely,

(Mr. Anavin Jiratomsiri)
Chief Executive Officer