

27 May 2026

Sub: Explanation on the Company's operating results for the year ended 31 March 2026

To: President
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") hereby reports the operating results of the financial statements for the year ended 31 March 2026, compared with those for the year ended 31 March 2025, with details of the financial statements as attached.

Income Statements (equity method) (Unit in Million Baht)	For the year ended 31 March			
	2026	2025	Increase/(Decrease)	
Revenue from sales of goods	8,541	10,176	(1,635)	(16%)
Interest income	2.0	2.1	(0.1)	(6%)
Gains on exchange rate	115	417	(302)	(72%)
Dividend income	24	26	(2)	(8%)
Gain on sale of other non-current financial assets	-	6	(6)	(100%)
Other income	17	18	(1)	(6%)
Cost of sales of goods	8,673	9,623	(949)	(10%)
Distribution expenses	488	753	(265)	(35%)
Administrative expenses	205	184	21	12%
Provisions expense	77	68	9	14%
Finance cost	85	26	59	234%
Share of profit (loss) of associates and joint venture accounted for using equity method	(819)	54	(873)	1628%
Tax (expense) income	(12)	42	(54)	(128%)
Profit (loss) for the year	(1,661)	89	(1,750)	(1971%)
Basic earnings (loss) per share (Baht)	(8.24)	0.44		
Gross profit margin	(2%)	5%		
Net profit margin	(19%)	1%		

1. Income statements (In which the equity method is applied) for the year ended 31 March 2026, compared with for the year ended 31 March 2025

For the year ended 31 March 2026, the Company reported net loss at Baht 1,661 Million, compared to net profit of Baht 89 Million of last year, a decrease of Baht 1,750 Million or 1971%. The significant changes are summarized as follows:



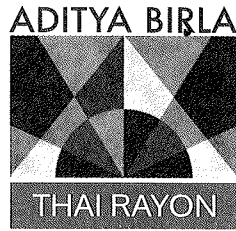
Thai Rayon Public Company Limited

Office : 16th Floor, Mahatun Plaza Building, 888/160-1 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Thailand.

T: +66 2 2536745-54 | F: +66 2 2543181

Factory : 36 Moo 2, Ayuthaya-Angthong Highway, Tambol Posa, Amphur Muang Angthong, Angthong 14000 Thailand.

T: +66 35 611227-9 | F: +66 35 611908 | W: www.thairayon.com

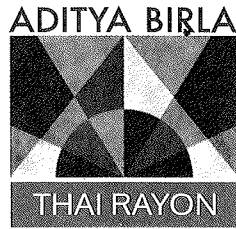


- 1) Revenue from sales of goods decreased by 16% or Baht 1,635 Million, mainly due to business downsizing by stopping one production line on 25 October 2025 and lower realizations.
- 2) The Company recorded gains on exchange rate of Baht 115 Million, compared to Baht 417 Million of last year, due to gain on AVTB provision in previous year of Baht 278 Million, compared to current year of Baht 1.93 Million.
- 3) Gain on sale of other non-current financial assets decreased by 100% or Baht 6 Million, as there were no sale of investment during the year.
- 4) Cost of sales of goods decreased by 10% or Baht 949 Million, due to lower raw material prices.
- 5) Distribution expenses decreased by 35% or Baht 265 Million, due to lower sea freight costs and lower sales volume during the year.
- 6) Finance cost increased by 234% or Baht 60 Million, primarily due to the long-term loan obtained during the year.
- 7) Share of loss of associates accounted for using equity method increased by 1628% or Baht 873 Million, due to lower performance and foreign currency fluctuations in the associated companies.
- 8) Tax expense increased by 128% or Baht 54 Million, due to tax payments relating to prior years that were settled during the current year.
- 9) Exchange differences on translating financial statements through other comprehensive income increased by 102% or Baht 693 Million, due to fluctuations of Thai Baht against foreign currencies.
- 10) Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income decreased by 506% or Baht 990 Million, mainly due to changes in market prices and exchange rates.
- 11) Gain (loss) on remeasurements of defined benefit plans increased by 180% or Baht 18 Million, due to changes in financial assumptions and experience adjustment.
- 12) Share of other comprehensive expenses of associates accounted for using equity method decreased by 99% or Baht 1,638 Million, mainly due to fluctuations in foreign exchange rates.
- 13) Gross profit margin for the year ended 31 March 2026 was negative at (2%), compared to 5% of last year, mainly due to lower realizations. Net profit margin was negative at (19%), compared to 1% of last year, mainly due to lower performance of the associated companies.

As a result of the factors mentioned above, loss per share for the year ended 31 March 2026 was Baht (8.24), compared to earnings per share of Baht 0.44 of last year.



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2. Statements of financial position as at 31 March 2026, compared with as at 31 March 2025

As of 31 March 2026, total assets decreased by 7% or Baht 2,692 Million, total liabilities increased by 6% or Baht 387 Million and shareholders' equity decreased by 8% or Baht 2,305 Million compared to 31 March 2025. The significant changes are as below:

A. ASSETS

- 1) Cash and cash equivalents increased by 7958% or Baht 492 Million, mainly due to cash balance from long-term loan obtained during the period.
- 2) Current financial assets decreased by 100% or Baht 102 Million, mainly due to the maturity of bonds during the year.
- 3) Inventories decreased by 34% or Baht 908 Million due to business downsizing by stopping one production line on 25 October 2025.
- 4) Other current assets decreased by 25% or Baht 84 Million, due to higher VAT refund received during the year compared to last year.

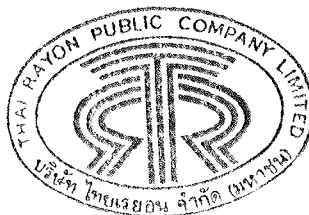
B. LIABILITIES AND SHAREHOLDERS' EQUITY

- 1) Trade and other current payables decreased by 53% or Baht 1,668 Million, mainly due to lower raw material procurement during the period.
- 2) Other current provisions decreased by 68% or Baht 958 Million, mainly due to the investment made in AVTB during the year.
- 3) Long-term loan from financial institutions increased by 100% or Baht 2,168 Million, primarily due to the drawdown of new long-term loans.
- 4) Deferred tax liabilities decreased by 20% or Baht 161 Million, due to higher unrealized loss on equity instruments designated at fair value compared to last year.

Please be informed accordingly.

Yours faithfully,

Rajesh Kumar Jha
Vice President (Finance and Commercial)



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Thai Rayon Public Company Limited

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