



No. CHOW.317/2026

15 May 2026

Subject : Management's Discussion and Analysis for the 3-month period ended 31 March 2026

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 the 3-month period ended 31 March 2026 and consolidated statement of financial position as of 31 March 2026. 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.

## 1. Management Discussion & Analysis

In the first quarter of 2026, the Group's overall operating performance moderated compared with the same period last year. Revenue from sales and services decreased to THB 282.49 million from THB 613.79 million, mainly due to the steel business, which was affected by the prior suspension of production process improvements, delays in obtaining approvals from government authorities. Domestic steel demand has declined in line with overall economic conditions and the slowdown in the real estate sector. Nevertheless, the Company began to see a return of orders from trading customers from the middle of the quarter, although order levels remained below the previous year. Meanwhile, the renewable energy business continued to be a key support for the Group. Revenue from electricity sales in Japan remained stable, and although revenue from EPC equipment sales and services decreased in line with each project's revenue recognition schedule, the gross profit margin of this business slightly improved. As a result, the Group's overall gross profit continued to benefit from its diversified business portfolio. In addition, share of profit from investments in joint ventures increased to THB 8.67 million as more power plant projects gradually commenced commercial operations. Finance costs also decreased due to both lower outstanding borrowings and lower interest rates. However, selling and administrative expenses increased because of personnel expenses and advisory fees.

Group's financial position: as of 31 March 2026, the Group demonstrated the strength of its financial position through current ratio and debt-to-equity ratio of 1.09 times and 0.31 times, respectively and robust net cash flow from operating activities of THB 191.9 million. This reflects the Company's ability to manage liquidity and adequately support its financial obligations. Management considers that the outlook for operations in the coming periods will depend on the recovery of orders in the steel business, the continuity of revenue recognition from the renewable energy business, and the effectiveness of cost and expense control. These factors will be factors to the group's operating performance during the remainder of the year.

### **Sustainable Organizational Development: ESG**

The Group has applied the concept of sustainable organizational development through ESG in its management approach and has integrated environmental, social, and governance responsibilities into all work processes with transparency and accountability. The Company believes that development under the ESG framework will enable the Group to grow and coexist sustainably with society. Implementing ESG in organizational development requires time, cost, and a strong sense of responsibility among employees, and the Company remains committed to achieving its objectives. The Group's ESG progress is summarized below.

**Steel Business:** The Group has obtained certification and labels for (1) the Carbon Footprint of Product and (2) the Carbon Footprint for Circular Economy Product from the Thailand Greenhouse Gas Management Organization.

**Renewable Energy Business:** The Group has established policies relating to the Environmental and Social Management System (ESMS), in line with the guidelines set by the World Bank through the IFC under the World Bank Group. These policies cover environmental, social, and safety management in business operations. In addition, the Group has held ISO 14001 certification for its environmental management system since 2024.

## 2. Analysis of Consolidated Operating Result Analysis

Significant Financial Information - Operating Results	Q1 2026	Q1 2025	Changes	
	Mb	Mb	Mb	%
Revenue from sales and services	282.49	613.79	(331.30)	-54.0%
<b>Gross profit</b>	<b>29.64</b>	<b>29.36</b>	<b>0.28</b>	<b>1.0%</b>
Selling and administrative expenses	35.85	25.19	10.66	42.3%
Share of profit from investments in joint ventures	8.67	4.17	4.50	108.0%
Finance cost	1.77	8.11	(6.34)	-78.2%
Tax (income) expenses	(1.14)	0.27	(1.41)	-526.9%
<b>Net profit</b>	<b>2.47</b>	<b>3.18</b>	<b>(0.70)</b>	<b>-22.1%</b>
<b>EBITDA</b>	<b>27.79</b>	<b>30.08</b>	<b>(2.29)</b>	<b>-7.6%</b>
<b>Gross profit margin to revenue (%)</b>	<b>10.5%</b>	<b>4.8%</b>		<b>5.7%</b>
EBITDA margin to revenue (%)	9.8%	4.9%		4.9%

### Revenue from Sales and Services

Revenue from sales and services in the current quarter was THB 282.49 million, decreasing from THB 613.79 million in the same quarter of 2025. The decrease was mainly attributable to the following factors.

### Steel Business

**Revenue from Sales and Services:** Revenue decreased by THB 307 million due to lower sales volumes in the trading business and lower service revenue. This was a result of the Company's suspension of production in order to improve its manufacturing process, together with delays in obtaining approvals from government authorities, which were received at the end of the third quarter of 2025. In addition, domestic demand for steel declined during the current quarter due to the economic slowdown, overseas conflicts, and uncertainty affecting the growth of the real estate sector, which is a key customer segment for steel bars. As a result, production orders received in the first quarter of the current year were approximately 70% of the order volume received in the comparative period. However, the Company began to receive orders from trading customers from the middle of the first quarter onward, although order volume remained below that of the first quarter of 2025.

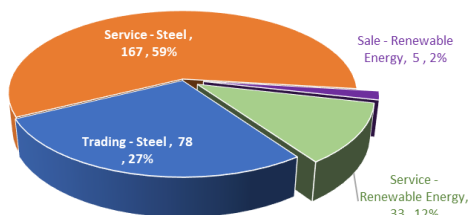
**Gross Profit and Gross Profit Margin:** Gross profit for the current period was THB 11 million. The gross profit margin of the steel business remained relatively stable at around 4% of revenue because the trading and service businesses maintained effective risk-diversified cost management. Therefore, the gross profit margin was not materially different from 2025.

### Renewable Energy Business

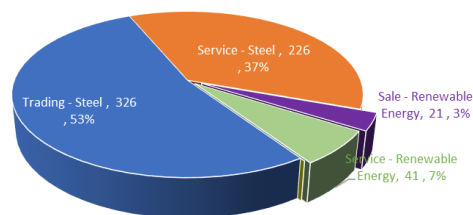
**Revenue from Sales and Services:** Revenue decreased by approximately THB 24 million, comprising revenue from electricity sales and EPC equipment sales and services. The decrease mainly resulted from lower revenue from EPC service and trading equipment, which varies according to customer orders for solar power generation systems, the timing of projects awarded, and contractual revenue recognition. Revenue from electricity sales from projects in Japan did not change materially.

**Gross Profit and Gross Profit Margin:** Gross profit from the renewable energy business in the current quarter was approximately THB 18.7 million from electricity sales, equipment sales, and EPC services, increasing slightly from approximately THB 10 million in the previous year. This was in line with the timing of service performance and revenue recognition under the related contracts.

1Q 2026 - Revenue by type of business



1Q 2025 - Revenue by type of business



**Selling and Administrative Expenses:** Selling and administrative expenses in the current period were THB 35.85 million, increasing by approximately THB 10.6 million from the previous year, mainly due to employee-related expenses and consultant fees in both Thailand and overseas associated with the Group's operations.

**Share of Profit from Investments in Joint Ventures:** The total share of profit was THB 8.67 million, increasing by THB 4.50 million from the first quarter of 2025. This was consistent with improved performance of the joint ventures as solar power projects gradually achieved COD and billed electricity under PPAs with industrial and commercial customers portfolio in Thailand.

**Finance Costs:** Finance costs decreased by THB 6.34 million due to two main factors.

i) Lower principal balance: Short-term borrowings from financial institutions used for construction of solar power projects decreased compared with the balance at the end of the first quarter of 2025, due to receipt of EPC service payments for completed projects that had commenced commercial operations.

ii) Lower interest rates: Interest rates on short-term borrowings from financial institutions in the current quarter were reduced from the comparative period, in line with rates announced by financial institutions.

### 3. Analysis of Consolidated financial position as at 31 March 2026

Consolidated Statement of Financial Position	31-Mar-26	31 Dec 25	Changes	
	Mb	Mb	Mb	%
<b>ASSETS</b>				
Current assets	679.29	712.28	(32.99)	-4.6%
Non-current assets	2,325.44	2,301.31	24.13	1.0%
<b>Total Assets</b>	<b>3,004.73</b>	<b>3,013.59</b>	<b>(8.86)</b>	<b>-0.3%</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
Current liabilities	620.92	561.51	59.41	10.6%
Non-current liabilities	86.84	84.90	1.94	2.3%
<b>Total Liabilities</b>	<b>707.76</b>	<b>646.41</b>	<b>61.35</b>	<b>9.5%</b>
<b>Shareholders' equity</b>	<b>2,296.97</b>	<b>2,367.17</b>	<b>(70.21)</b>	<b>-3.0%</b>
<b>Total Liabilities and Equity</b>	<b>3,004.73</b>	<b>3,013.59</b>	<b>(8.86)</b>	<b>-0.3%</b>

**Total Assets:**

As of 31 March 2026, the Group had total assets of THB 3,004.73 million, decreasing by THB 8.86 million from the previous year. Significant changes in assets were as follows.

**Current Assets** decreased by THB 32.99 million due to the following:

- Trade and other current receivables decreased by THB 80.18 million due to collections related to solar power project construction, and current income tax assets decreased by THB 19.17 million because withholding tax receivables pending refund were reclassified to other non-current assets as refunds are expected to take more than 12 months.

- Cash and cash equivalents increased by THB 25 million from the Group's operations, contract assets increased by THB 33 million, and other current assets increased by THB 10.3 million.

**Non-current Assets** increased by THB 24.13 million.

- Deferred tax assets increased by THB 3 million from the recognition of temporary tax differences during the period, and other non-current assets increased by THB 32 million, mainly due to the reclassification of withholding tax receivables pending refund from current assets to non-current assets.

- Property, plant, and equipment decreased net by THB 12.2 million, mainly due to depreciation and amortization during the period.

**Total Liabilities:**

The Group had total liabilities of THB 707.7 million, increasing by THB 61.35 million from the previous year. Key movements included an increase in trade and other current payables of THB 142.3 million during the period and a net decrease of THB 87 million in short-term borrowings from financial institutions and related parties due to repayments made during the period.

**Total Equity** decreased by THB 70.2 million due to a THB 85 million decrease in non-controlling interests in subsidiaries (dividend paid during the period by a subsidiary), partly offset by a THB 9 million increase in foreign currency translation differences and a THB 3.6 million increase in share of other comprehensive income from joint ventures.

**4. Analysis of Cashflow Statement**

Summary of Consolidated Statement of Cashflow	Mb
Net cash in-flows from operating activities	191.91
Net cash in-flows from investing activities	0.21
Net cash out-flows from financing activities	(175.01)
Changes in translation adjustments	6.53
<b>Net increased in cash and cash equivalents</b>	<b>23.63</b>
Cash and cash equivalent - beginning of the period	75.02
<b>Cash and cash equivalent - end of the period</b>	<b>98.65</b>

**Net cash in-flow from operating activities**

The Group generated net cash from operating activities of THB 191.9 million, comprising cash generated from operations during the period of THB 215.5 million, net of interest received and paid and income tax paid totaling THB 23.5 million.

**Net cash in-flow from investing activities**

During the period, the Group had no significant movements in investing activities.

**Net cash out-flow from financing activities**

The Group repaid short-term borrowings from financial institutions and unrelated parties totaling THB 165.4 million, paid dividends to minority shareholders during the period of THB 87.2 million, and received short-term borrowings from related parties of THB 78.4 million.

**Contingent Liabilities**

On 7 April 2026, Chow Steel Manufacturing Co., Ltd. submitted a report on changes and revisions to the project details in the completed environmental impact assessment report to the Provincial Industry Office. The matter is currently under consideration by the Provincial Industry Office.

**5. Update progress regarding of the notification letter received by the Group from the Department of Industrial Works and the Thai Industrial Standards Institute.**

On 7 April 2026, Chow Steel Manufacturing Co., Ltd. submitted a report on amendments to project details in the completed Environmental Impact Assessment (EIA) report to the Provincial Industry Office (“PIO”). The submission is currently under review by the PIO.

Yours sincerely,

(Mr. Anavin Jiratomsiri)  
Chief Executive Officer