

Subject Management Discussion and Analysis for the Financial Statements for Fiscal Year 2025/2026 Ended 31 March 2026

To: Directors and Managers of the Stock Exchange of Thailand

With reference to the financial statements for the third quarter of fiscal year 2025/2026 ended 31 March 2026 of Eastern Polymer Group Public Company Limited (the "Company"), which have been audited by the Company's auditor and reviewed by the Audit Committee, the Company would like to provide the following additional clarification:

1. Overview of Business Operations, Key Developments, and Summary of Performance Results.

The company's operating results for Q4 FY2025/2026 (ended 31 March 2026) showed significant changes as follows:

Unit: Million Baht				YoY		QoQ	
	Q4 2025/26	Q3 2025/26	Q4 2024/25	Increase (Decrease)		Increase (Decrease)	
	Jan 26 - Mar 26	Oct 25- Dec 25	Jan 25 - Mar 25				
Revenue from sale of goods	3,414.5	3,323.1	3,219.3	195.1	6.1%	91.4	2.8%
Cost of Good sold	2,265.2	2,175.6	2,095.5	169.6	8.1%	89.6	4.1%
Gain (Loss) on Exchange	97.3	-35.1	24.3	73.0	300.3%	132.5	-377.0%
Selling and administrative expense	839.8	828.2	824.0	15.8	1.9%	11.6	1.4%
Expected credit loss on a forward looking basis	54.9	-2.4	58.6	-3.7	-6.3%	57.3	-2351.1%
Finance costs	74.9	25.2	52.0	22.9	44.0%	49.6	196.6%
Share of profit from investment in associates	119.1	64.4	48.4	70.7	146.1%	54.7	85.0%
Net Profit	388.1	336.4	249.9	138.2	55.3%	51.6	15.3%

For the operating results for fiscal year 2025/2026 ended 31 March 2026, the significant changes are summarized as follows:

Unit: Million Baht			YoY	
	FY 2025/26	FY 2024/25	Increase (Decrease)	
	Apr 25 - Mar 26	Apr 24 - Mar 25		
Revenue from sale of goods	13,508.7	13,789.8	-281.10	-2.0%
Cost of Good sold	8,966.2	9,189.6	-223.32	-2.4%
Gain (Loss) on Exchange	14.7	-198.9	213.55	-107.4%
Selling and administrative expense	3,358.0	3,510.5	-152.52	-4.3%
Expected credit loss on a forward looking basis	94.7	324.6	-229.87	-70.8%
Finance costs	167.3	116.2	51.11	44.0%
Share of profit from investment in associates	326.6	280.0	46.56	16.6%
Net Profit	1,311.9	808.4	503.45	62.3%

Revenue from sale

Revenue from sales of goods in the fourth quarter of fiscal year 2025/2026 amounted to 3,414.5 MB, representing an increase of 195.1 MB, or 6.1% YoY, and an increase of 2.8% QoQ.

Revenue from sales of goods for fiscal year 2025/2026 amounted to 13,508.7 MB, representing a decrease of 2.0% compared to the previous year.

The change was primarily attributable to variations in sales volume across all three product groups, as detailed below:

Aeroflex Group

Sales of the Aeroflex Group in Q4 2025/2026 slightly decreased by 0.3% YoY. However, sales in Q4 2025/2026 improved compared to the previous quarter, which included the long holiday period in December 2025, increasing by 2.0% QoQ.

For fiscal year 2025/2026, sales of the Aeroflex Group increased by 1.8% compared to the previous year.

In the United States, sales of Aeroflex USA Inc. continued to increase, driven by strong demand for premium-grade insulation products, including Ultra Low Temperature Insulation and Air Ducting System products. Growth was particularly supported by project-based customers in the semiconductor, cloud/data center, and automotive industries, where investment remains ongoing.

In the domestic market, Aeroflex sales slightly declined, reflecting continued cautious investment sentiment in the private sector. Nevertheless, gradual signs of recovery have begun to emerge in certain industries.

Demand for insulation products continues to grow in both domestic and international markets, particularly in HVAC and air-ducting systems. Additional growth opportunities are expected from industrial investments driven by the reshoring trend, which support further manufacturing expansion in the United States. The Company therefore maintains a positive outlook on the U.S. insulation market, where insulation products remain essential and continue to experience consistently high demand.

Aeroklas Group

Sales of the Aeroklas Group in Q4 2025/2026 increased by 2.7% YoY and increased by 3.8% QoQ.

Sales to OEM customers of Aeroklas remained subdued in line with the overall automotive industry conditions. Nevertheless, the Company utilized this period to restructure costs and enhance operational efficiency, laying the foundation for recovery once market demand returns. Manufacturing activities softened during the early part of Q4 2025/2026. However, sales began to improve in March 2026, reflecting gradual signs of recovery.

In overseas markets, particularly Australia and Europe, economic uncertainty continued to impact consumer spending sentiment, while the European market remained affected by the ongoing slowdown in the automotive industry.

For the Australian business operation (AAPG), sales remained weak compared to both the same period last year and the previous quarter due to seasonal factors. Nevertheless, the Company has commenced cost reduction initiatives, with the new management team closely overseeing operations. Initial progress has started to emerge since February 2026, although the improvement process remains gradual.

Meanwhile, 4 Way Suspension Products Pty., Ltd. continued to report improvement in sales and operating performance, supported by demand for new products in both the Australian and international markets.

The Aeroklas Group continues to emphasize strict cost control and disciplined expense management in order to maintain profitability and support the market recovery in the next phase.

For fiscal year 2025/2026, sales of the Aeroklas Group decreased by 9.5% compared to the previous year.

EPP

Sales of Eastern Polypack Co., Ltd. in Q4 2025/2026 increased by 24.6% YoY and 1.7% QoQ, despite continued pressure from intense market competition. Nevertheless, Eastern Polypack Co., Ltd. continues to differentiate itself through its strong certification standards, including TIS, GMP, HACCP, BRC, and FSC (Forest Stewardship

Council), reinforcing customer confidence and reliability. As a result, the Company remains a trusted plastic packaging manufacturer selected by industrial customers.

For fiscal year 2025/2026, sales of Eastern Polypack Co., Ltd. increased by 11.8% compared to the previous year.

The cost of goods sold

In Q4 2025/2026, the Company's cost of goods sold amounted to 2,265.2 MB, increasing by 169.6 MB, or 8.1% YoY, and increasing by 4.1% QoQ, which was at a faster rate than the increase in sales. Nevertheless, the Company has continuously managed costs by sourcing raw materials from diversified suppliers in order to maintain an appropriate average raw material cost level. The Company will continue to focus on improving efficiency in cost management to optimize the cost of goods sold on an ongoing basis.

For fiscal year 2025/2026, the Company's cost of goods sold amounted to 8,966.2 MB, representing a decrease of 2.4% compared to the previous year.

Profit on exchange

In Q4 2025/2026, the Company recorded a foreign exchange gain of 97.3 MB, compared to a foreign exchange gain of 24.3 MB in the same period last year and a foreign exchange loss of 35.1 MB in the previous quarter. The foreign exchange gain in this quarter consisted of an unrealized gain of 112.4 MB and a realized loss of 15.1 MB. During the quarter, the Thai Baht depreciated against the U.S. Dollar and Australian Dollar.

For fiscal year 2025/2026, the Company was impacted by foreign exchange volatility and recorded a foreign exchange gain of 14.7 MB.

Selling and administrative expenses

In Q4 2025/2026, the Company's selling and administrative expenses amounted to 839.8 MB, increasing by 15.8 MB, or 1.9% YoY, and increasing by 1.4% QoQ.

For fiscal year 2025/2026, the Company's selling and administrative expenses decreased by 152.5 MB, or 4.3% compared to the previous year, primarily driven by the Company's focus on strengthening organizational structure and enhancing long-term operational efficiency, including:

1. Organizational restructuring and reinforcement of cost discipline
2. Efficient working capital and capacity management

Expected credit loss provision

In Q4 2025/2026, the Company recorded an expected credit loss (ECL) provision of 54.9 MB, decreasing compared to the same period last year, which recorded an ECL provision of 58.6 MB, while the previous quarter recorded an ECL reversal of 2.4 MB.

The ECL mainly arose from trade receivables of Aeroklas Co., Ltd. from the sale of raw materials used in production for the joint venture business in South Africa. The joint venture business in South Africa experienced a temporary impact during this quarter due to the shutdown of a major customer's production line for transition to a new production model, with production resuming again in April 2026.

For fiscal year 2025/2026, the Company recorded a total expected credit loss of 94.7 MB, improving from the previous year, which recorded an expected credit loss provision of 324.6 MB.

Financial Cost

In Q4 2025/2026, the Company recorded financial costs of 74.9 MB, increasing by 22.9 MB compared to the same period last year, which recorded financial costs of 52.0 MB, and increasing from 25.2 MB in the previous quarter. The higher financial cost in this quarter was primarily attributable to a foreign exchange loss of 28.3 MB arising from foreign-currency loans arranged by the Company to balance the impact of exchange rate fluctuations.

For fiscal year 2025/2026, the Company's financial costs amounted to 167.3 MB, representing an increase of 44.0% compared to the previous year, mainly due to the impact of foreign exchange fluctuations.

The share of profit from investment in associates

In this quarter, the Company recorded a share of profit from investments in associates and joint ventures of 119.2 MB, increasing by 70.7 MB compared to the same period last year, primarily driven by improved operating performance of associates in India, China, and Thailand. The share of profit also increased by 54.7 MB compared to the previous quarter.

For fiscal year 2025/2026, the share of profit from investments in associates and joint ventures amounted to 326.6 MB, increasing by 46.6 MB, or 16.6%, compared to the previous year.

Net Profit

In Q4 2025/2026, the Company recorded a net profit of 388.1 MB, increasing by 138.2 MB, or 55.3% YoY, and increasing by 15.4% QoQ. The improvement was mainly attributable to lower selling and administrative expenses as a percentage of sales, together with foreign exchange gains.

For fiscal year 2025/2026, the Company recorded a net profit of 1,311.9 MB, representing an increase of 62.3% compared to the previous year.

2. Financial Position

Asset

As of 31 March 2026, the Company's total assets amounted to 20,888.2 MB, increasing by 2.8% from the previous quarter and 5.0% from the same period last year. The Company recorded current assets of 8,934.7 MB and non-current assets of 11,953.5 MB.

Liability

As of 31 March 2026, the Company's total liabilities amounted to 7,418.9 MB, increasing by 0.5% from the previous quarter and 1.7% from the same period last year. Interest-bearing debt totaled 4,977.2 MB.

Shareholder's equity

As of 31 March 2026, the Company's shareholders' equity amounted to 13,469.3 MB, increasing by 4.2% from the previous quarter and 6.9% from the same period last year. Unappropriated retained earnings totaled 6,774.5 MB.

Liquidity

		Q4 2025/26	Q3 2025/26	Q4 2024/25
	Unit	Jan 26 - Mar 26	Oct 25- Dec 25	Jan 25 - Mar 25
Debt to Equity Ratio	Time	0.55	0.57	0.58
Interest Coverage Ratio	Time	15.62	17.02	17.31
Debt Service Coverage Ratio	Time	0.96	0.94	0.91
Liquidity Ratio	Time	1.97	1.97	2.02
Return on Equity	%	12.12	11.21	9.69
Return on Asset	%	7.75	7.12	6.14

- Debt-to-equity ratio stood at 0.55 times, slightly decreasing from the previous quarter and remaining in line with the same period last year.
- Interest coverage ratio stood at 15.62 times, decreasing from 17.02 times in the previous quarter and 17.31 times in the same period last year.

3. Factors affecting the performance of the Company (forward looking)

Key factors affecting the Company's operating performance may be categorized as follows: 1) success in overseas business operations; 2) success in research and development for new product innovation; 3) success in capacity expansion, production process enhancement through technological advancement across the Group, as well as expansion of distribution channels in various forms; 4) volatility in raw material prices; 5) foreign exchange fluctuations; and 6) domestic and global economic conditions and events.

Key concerns during this quarter include geopolitical risks and ongoing trade tensions, both of which intensified during the quarter, particularly the situation in the Middle East, which may indirectly impact the global economy, energy costs, and raw material price volatility in the periods ahead.

In addition, such developments may also contribute to increased foreign exchange volatility. During certain periods, the Thai Baht against major currencies experienced significant fluctuations, increasing uncertainty surrounding the Company's operating performance.

Nevertheless, the Company continues to actively manage its supply chain while implementing diversified sourcing strategies to mitigate risks arising from such volatility. Currently, the Company maintains sufficient raw material inventory to support operations in the upcoming quarter.

The Company continues to closely monitor these developments, together with the overall global economic environment, as the Group derives a significant portion of its revenue from overseas markets. Concurrently, the Company continues to adjust its operating strategies while emphasizing risk management and cost control to maintain competitiveness and ensure long-term business sustainability.

3. Sustainability Developments

The growth of Eastern Polymer Group Public Company Limited ("EPG") remains aligned with the Company's vision to grow through innovation by developing quality products that contribute to society and enhance quality of life, while strengthening its business network to support expansion in global markets and drive sustainable growth.

Awards and Recognition

For fiscal year 2025/2026 ended 31 March 2026:

- The Company received an "Excellent CG Scoring" or 5-star rating under the Corporate Governance Report of Thai Listed Companies (CGR) 2025 conducted by the Thai Institute of Directors Association (IOD).

- The Company and its subsidiaries, namely Aeroflex Co., Ltd., Aeroklas Co., Ltd., and Eastern Polypack Co., Ltd., were certified as members of the “Thai Private Sector Collective Action Against Corruption” (CAC) at the “CAC Change Agent” (3-Star) level by the Thai Private Sector Collective Action Against Corruption Committee. This recognition reflects the Group’s commitment to conducting business with good corporate governance principles while promoting anti-corruption practices throughout its business network.
- The Company was selected as one of the “Thailand Sustainability Investment” stocks or SET ESG Ratings 2025 at the “AA” level by The Stock Exchange of Thailand.
- The Company received the “Certificate for Excellence in Investor Relations South East Asia 2025” from the IR Impact Awards – South East Asia held at the Singapore Exchange (SGX). The award reflects the capability, expertise, and professionalism of EPG’s management and investor relations team in delivering transparent, comprehensive, and consistent communication with stakeholders.

Carbon Footprint for Organization and Product

For fiscal year 2025/2026 ended 31 March 2026, Aeroflex Co., Ltd. received the Carbon Footprint for Organization (CFO) certification from the Thailand Greenhouse Gas Management Organization (Public Organization) (“TGO”) for the 9th consecutive year, and also received Carbon Footprint of Product (CFP) certification.

Eastern Polypack Co., Ltd. received Carbon Footprint for Organization certification for the 6th consecutive year, while Aeroklas Co., Ltd. received Carbon Footprint for Organization certification for the 4th consecutive year and was also awarded Carbon Footprint of Product (CFP) certification.

Net Zero Emission Roadmap

Aeroflex Co., Ltd. has announced its targets to achieve Carbon Neutrality by 2032 and Net Zero Emissions by 2042 through three key strategies:

1. **Green Manufacturing** – utilizing solar energy to reduce greenhouse gas emissions by more than 2,500 tCO₂e per year.
2. **Take Back Program** – collecting end-of-life products from customers for proper waste management and recycling processes.
3. **Circular Economy** – recycling material scraps into new products while developing lightweight, high-performance products to enhance resource efficiency and sustainability.

Respectfully Your,

Mr. Veerasit Pratuengsukpong

Chief Financial Officer

Eastern Polymer Group Public Company Limited