

June 12, 2026

Subject : Clarification of Operating Results for the Third Quarter and the 9-Month Period of the Year 2025/2026

To : President  
The Stock Exchange of Thailand

City Steel Public Company Limited ("the Company") would like to clarify the revenues and operating results of the Company and its subsidiaries ("the Group") for the third quarter and the 9-month period ended April 30, 2026, as follows:

In the third quarter of the year 2025/2026, the Group recorded total revenue of THB 16.78 million, a decrease of THB 4.20 million or 20.02% compared to THB 20.98 million in the third quarter of the year 2024/2025. The decline in revenue was primarily due to the war in the Middle East involving Iran, Israel, and the United States, which disrupted transportation, supply chains, as well as a hike in oil and energy prices. In the automotive industry, vehicle production fell to its lowest level in five years. Although the EV market continued to grow relatively well, the ICE vehicle market, where the Group's core customer base operates, contracted further as a result of reduced demand and shifting consumer preferences. This was compounded by rising fuel prices and stricter loan approval policies by financial institutions, leading to a significant decline in customer orders for the Group's products. Despite the revenue decline in the third quarter, total revenue for the 9-month period of the year 2025/2026 increased by THB 5.84 million, or 9.82%, from THB 59.48 million in the year 2024/2025 to THB 65.32 million in the year 2025/2026 owing to the revenue growth during the first six months of the year.

In the third quarter of the year 2025/2026, the Group reported a net loss of THB 2.52 million, decreased by THB 6.47 million, or 71.97%, compared to the net loss of THB 8.99 million in the third quarter of the year 2024/2025. The loss was primarily attributable to relatively high fixed costs and lower revenue; therefore, it was unable to fully cover all the expenses. Nevertheless, the reduction in cost of sales and services in line with lower project volume, together with foreign exchange gains caused by the depreciation of the THB currency, helped reduce overall expenses. As a result, the net loss for this quarter decreased compared to the previous year. For the 9-month period of the year 2025/2026, the Group recorded a net loss of THB 9.44 million, a decrease of THB 10.14 million, or 51.79%, from the net loss of THB 19.58 million in the year 2024/2025. This improvement was mainly due to the decline in the proportion of cost of sales and services to sales and service revenue, as well as foreign exchange gains.

As at April 30, 2026, the Group reported total assets of THB 1,243.53 million, a decrease of THB 4.29 million or 0.34% compared to total assets of THB 1,247.82 million as at July 31, 2025. The decline was primarily attributable to lower trade receivables following the decrease in revenue from sales and services, as well as a reduction in property, plant, and equipment due to depreciation. At the same time, the Group maintained a relatively low level of liabilities. As at April 30, 2026, total liabilities amounted to THB 18.81 million, an increase of THB 6.44 million or 52.06% from THB 12.37 million as at July 31, 2025. This increase was mainly due to the recognition of lease liabilities in line with right-of-use assets from the renewal of the factory building lease agreements, and an increase in non-current provisions for employee benefits following a periodic review. Shareholders' equity totaled THB 1,224.72 million, a decrease of THB 10.73 million or 0.87% from THB 1,235.45 million as at July 31, 2025. The decline was primarily due to a reduction in unappropriated retained earnings resulting from the Group's operating losses.

Due to the low level of liabilities and a fairly large amount of current assets being maintained, the Group had a high liquidity ratio of 230.83 times while the debt-to-equity ratio was relatively low, at 0.015 time as at April 30, 2026. These ratios reflected that the Group's liquidity was financially sound and that the Group had a strong and stable financial position.

Please be informed accordingly.

Mrs. Boontip Changnil  
Chief Executive Officer