

14 August 2026

Sub: Explanation on the Company's performance for the quarter ended 30 June 2026

To: President
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") would like to provide the explanation of its financial statements for the quarter ended 30 June 2026, comparison with for the quarter ended 30 June 2025. Further details are presented in the attached note to the financial statements.

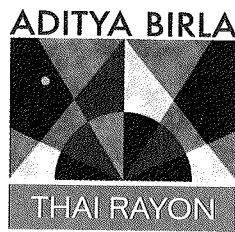
Income Statements (equity method) (Unit in Million Baht)	For the quarter ended 30 June			
	2026	2025	Increase/(Decrease)	
Revenue from sales of goods	2,111	2,321	(210)	-9%
Interest income	5.3	0.3	5	1666%
Gains (loss) on exchange rate	(8)	14	(22)	-157%
Other income	1.3	1.4	(0.1)	-7%
Cost of sales of goods	1,813	2,397	(584)	-24%
Distribution expenses	128	141	(13)	-9%
Administrative expenses	42.1	41.6	0.5	1%
Finance cost	44	13	31	238%
Provision expense	-	55	(55)	-100%
Share of loss of associates accounted for using equity method	(89)	(401)	(312)	-78%
Tax (expense) income	(4)	8	(12)	-150%
Profit (loss) for the period	(11)	(704)	(693)	-99%
Basic earnings (loss) per share (Baht)	(0.05)	(3.49)		
Gross profit margin	14	(3)		
Net profit margin	(0.5)	(30)		

1. Income statements (In which the equity method is applied) for the quarter ended 30 June 2026 compared with for the quarter ended 30 June 2025

For the quarter ended 30 June 2026, the Company reported a net loss of Baht (11) Million, compared to a net loss of Baht (704) Million in the same quarter last year. This represents a decrease in a net loss of Baht 693 Million or 99%. The key changes can be summarized as follows:

- 1) Revenue from sales of goods decreased by 9% or Baht 210 Million, mainly due to downsizing operations by stopping one production line effective 25 October 2025. This impact was partly offset by higher realizations.



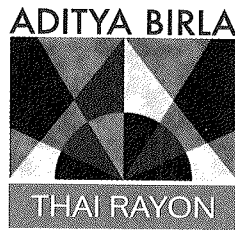


- 2) Interest income increased by 1666% or Baht 5 Million, primarily from interest received on fixed deposits.
- 3) The Company recorded a loss on exchange rate of Baht (8) Million, compared to a gain of Baht 14 Million in the same quarter last year, reflecting foreign currency fluctuations.
- 4) Cost of sales of goods decreased by 24% or Baht 584 Million, mainly due to lower raw material prices during the quarter.
- 5) Distribution expenses decreased by 9% or Baht 13 Million, mainly due to lower sales volume during the quarter.
- 6) Provision expense decreased by 100% or Baht 55 Million, as no provision was required for AVTB future obligation liability during the quarter.
- 7) Finance cost increased by 238% or Baht 31 Million, mainly due to long-term loan obtained in the third quarter of the previous year.
- 8) Share of loss of associates accounted for using equity method decreased by 78% or Baht 312 Million, reflecting improved performance from associates and foreign currency fluctuations.
- 9) Tax (expense) income increased by 150% or Baht 12 Million, mainly due to higher deferred tax liability during the period compared to the same quarter last year.
- 10) Exchange differences on translating financial statements through other comprehensive income increased by 285% or Baht 102 Million, resulting from fluctuation of Thai Baht against foreign currencies.
- 11) Gain on investment in equity instruments designated at fair value through other comprehensive income increased by 258% or Baht 822 Million, mainly due to favorable changes in market prices and exchange rates.
- 12) Share of other comprehensive income of associates accounted for using equity method increased by 242% or Baht 793 Million, primarily driven by foreign exchange rate fluctuations.
- 13) Gross profit margin for the quarter ended 30 June 2026 improved to 14%, compared to a negative margin of (3%) in the same quarter last year. The improvement was mainly due to higher sales realizations and lower raw material prices.
- 14) Net profit margin reported at negative (0.5%), compared to negative (30%) in the same quarter last year, mainly due to decrease in share of loss from associates.

As explained above, the basic loss per share for the quarter ended 30 June 2026 was Baht (0.05), compared to a loss of Baht (3.49) in the same quarter last year.



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2. Statements of financial position as of 30 June 2026 in comparison with as of 31 March 2026

As of 30 June 2026, total assets increased by 8% or Baht 2,608 Million, total liabilities increased by 8% or Baht 519 Million and shareholders' equity increased by 8% or Baht 2,090 Million, compared to 31 March 2026. The significant changes are summarized below:

A. ASSETS

- 1) Inventories increased by 22% or Baht 375 Million, mainly due to higher inventory valuation and increased procurement.
- 2) Other current assets increased by 58% or Baht 145 Million, primarily from advances to suppliers for Raw materials and Input VAT receivable.
- 3) Other non-current financial assets increased by 20% or Baht 1,143 Million, reflecting fair value adjustments and currency exchange gains on equity and debt instruments.

B. LIABILITIES AND SHAREHOLDERS' EQUITY

- 1) Bank overdraft and short-term loans from financial institutions decreased by 24% of Baht 327 Million, mainly due to a decrease in borrowing during the period.
- 2) Trade and other current payables increased by 40% or Baht 589 Million, mainly due to higher procurement and impact of raw material prices.
- 3) Current portion of long-term loans from financial institution increased by 54% or Baht 152 Million, due to there is no repayment of principal during the quarter.
- 4) Deferred tax liabilities increased by 37% or Baht 232 Million, mainly due to higher unrealized gain on equity instruments designated at fair value compared to last year.

Please be informed accordingly.

Yours faithfully,



Mr. Rajesh Kumar Jha

Vice President (Finance and Commercial)



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