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12 November 2026

Subject : Management Discussion and Analysis for Q3/2026

Attention : President

The Stock Exchange of Thailand

Vanachai Group Public Company Limited ("the Company") has submitted the consolidated financial statements for the 3rd quarter ended 30 September 2026, which is summarized as follows:

1. Consolidated Statements of Comprehensive Income for the three-month ended 30 September 2026 and 2025.

Consolidated Financial Statements	The third quarter 2026	The third quarter 2025	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Revenue from sales	3,087,897	2,486,347	601,550	24%
Cost of sales	(2,863,821)	(2,292,808)	571,013	25%
Gross profit	224,076	193,539	30,537	16%
Gain from exchange rate	17,270	19,109	(1,839)	(10%)
Other income	12,799	5,664	7,135	126%
Selling and distribution expenses	(154,811)	(155,704)	(893)	(1%)
Administrative expenses	(117,871)	(115,004)	2,867	2%
Management benefit expenses	(22,564)	(22,252)	312	1%
Profit (loss) from operating activities	(41,101)	(74,648)	33,547	45%
Finance cost	(80,865)	(92,400)	(11,535)	(12%)
Profit (loss) before income tax	(121,966)	(167,048)	45,082	27%
Income tax revenues	4,766	3,028	1,738	57%
Profit (loss) for the period	(117,200)	(164,020)	46,820	29%
Profit (loss) attributable to:				
Shareholders of the Company	(136,627)	(153,067)	16,440	11%
Non-controlling interests	19,427	(10,953)	30,380	277%
Profit (loss) for the period	(117,200)	(164,020)	46,820	29%
Basic earnings profit (loss) per share (Baht)	(0.08)	(0.09)	0.01	11%

An overview of the results in the passing

The Q3/2026, the company and its subsidiaries have the total revenue from sales in amount of 3,088 million baht which is increasing from the 2025 at equivalence of 602 million baht, about 24% . These caused, revenue from sales of overseas increased about 33%.

Analysis of profit (loss) of company and its subsidiaries

The Q3/2026, the company and its subsidiaries have loss attributable to equity holders of the company of 137 million baht as compared to the 2025, the company and its subsidiaries have loss attributable to equity holders of the company of 153 million baht, loss decreased 16 million baht or 11% for the following main reasons;

1. Total sales revenue increased by 602 million baht, primarily driven by an approximately 33% increase in overseas sales revenue compared to the same period of the previous year.
2. Total cost of sales increased by approximately 25% compared with the same period of the previous year, mainly due to the increase in sales volume.

2. Statements of Financial positions as of 30 September 2026 and 30 September 2025.

Consolidated Financial Statements	30 September 2026	30 September 2025	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Assets				
Current assets				
Cash and cash equivalent items	583,804	444,454	139,350	31%
Trade and other current receivable	1,224,855	778,732	446,123	57%
Revenue Department receivable	173,631	178,769	(5,138)	(3%)
Inventories	2,935,281	3,148,859	(213,578)	(7%)
Maintenance supplies	753,541	756,758	(3,217)	(0.4%)
Current tax assets	1,745	5,293	(3,548)	(67%)
Total current assets	5,672,857	5,312,865	359,992	7%
Non-current assets				
Property, plant and equipment	12,836,637	11,537,081	1,299,556	11%
Right-of-use assets	703,921	762,353	(58,432)	(8%)
Intangible assets	105,105	117,696	(12,591)	(11%)
Deferred tax assets	94,590	72,999	21,591	30%
Other non-current assets	29,466	111,781	(82,315)	(74%)
Total non-current assets	13,769,719	12,601,910	1,167,809	9%
Total assets	19,442,576	17,914,775	1,527,801	9%

Consolidated Financial Statements	30 September 2026	30 September 2025	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Liabilities and shareholders' equity				
Current liabilities				
Short-term loans from financial institutions	3,750,999	3,577,119	173,880	5%
Trade and other current payable	1,312,552	1,047,427	265,125	25%
Advances received from customers	953,677	277,319	676,358	244%
Current portion of long-term liabilities				
Long-term loans from financial institutions	696,575	966,824	(270,249)	(28%)
Lease liabilities	90,180	88,519	1,661	2%
Income tax payables	1,569	8,332	(6,763)	(81%)
Current provisions for employee benefits	76,280	19,237	57,043	297%
Total current liabilities	6,881,832	5,984,777	897,055	15%
Non-current liabilities				
Long-term loans from financial institutions	5,262,884	3,620,445	1,642,439	45%
Lease liabilities	593,670	662,793	(69,123)	(10%)
Non-current provisions for employee benefits	485,683	511,088	(25,405)	(5%)
Other non-current liabilities	6,895	15,392	(8,497)	(55%)
Total non-current liabilities	6,349,132	4,809,718	1,539,414	32%
Total liabilities	13,230,964	10,794,495	2,436,469	23%
Shareholders' equity				
Issued and paid-up share capital	1,735,238	1,735,238	-	0%
Premium on ordinary shares	1,482,634	1,482,634	-	0%
Retained earnings				
Appropriated-Legal reserve	173,524	173,524	-	0%
Unappropriated	2,738,445	3,656,115	(917,670)	(25%)
Total shareholders' equity of the Company	6,129,841	7,047,511	(917,670)	(13%)
Non-controlling interests of subsidiaries	81,771	72,769	9,002	12%
Total shareholders' equity	6,211,612	7,120,280	(908,668)	(13%)
Total liabilities and shareholders' equity	19,442,576	17,914,775	1,527,801	9%

Financial status

Total assets

As of 30 September 2026, the total assets of the company and its subsidiaries were 19,443 million baht, increased by 1,528 million baht, compared to the total assets of 17,915 million baht in 2025. This increase is due to an increase in cash and cash equivalent items, trade and other current receivable, property plant and equipment, deferred tax assets and a decrease in revenue department receivable, inventories, maintenance supplies, current tax assets, right-of-use assets, intangible assets, other non-current assets.

Total Liabilities

As of 30 September 2026, the total liabilities of the company and its subsidiaries were 13,231 million baht, increased by 2,437 million baht, compared to the total liabilities of 10,794 million baht in 2025. This increase is due to an increase in loans from financial institutions, trade and other current payable, advances received from customers, provisions for employee benefits and a decrease in income tax payables, lease liabilities, other non-current liabilities.

Total shareholder's equity

As of 30 September 2026, the Company and its subsidiaries had total shareholders' equity of 6,212 million baht, compared to 7,120 million baht in 2025, representing a decrease of 908 million baht. This decrease was primarily attributable to operating losses.

As of 30 September 2026, the debt-to-equity ratio stood at 2.13:1, compared to 1.52:1 in 2025, representing an increase of 0.61 times. The increase was primarily attributable to higher borrowings from financial institutions and a decrease in shareholders' equity resulting from operating losses.

3. Statements of Cash flow for the nine-month period ended 30 September 2026 and 30 September 2025.

Consolidated Financial Statements	30 September 2026	30 September 2025	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Net cash received from (used in) operating activities	657,998	(183,016)	841,014	460%
Net cash received from (used in) investing activities	(1,315,443)	(837,786)	477,657	57%
Net cash received from (used in) financing activities	652,464	221,766	430,698	194%
Cash and cash equivalent items increase (decrease)-net	(4,981)	(799,036)	(794,055)	(99%)
Cash and cash equivalent items at the beginning of the period	588,785	1,243,490	(654,705)	(53%)
Cash and cash equivalent items at the end of the period	583,804	444,454	139,350	31%

Liquidity

Cash flow

For the nine-month ended 30 September 2026, the company and its subsidiaries have cash flow received from operating activities 658 million baht, cash flow used in investing activities 1,315 million baht and cash flow received from financing activities 652 million baht. There was net cash flow used 5 million baht. The cash flow used was 794 million baht less than the same period in 2025 as summarized;

1. Net cash received from operating activities is 658 million baht, increased by 841 million baht, because of decreased of profit from operation before change in operating assets and liabilities by 284 million baht, increased of operating assets 61 million baht, increased of operating liabilities 1,148 million baht, decreased of cash received from interest income 1 million baht and decreased of cash paid for income tax 40 million baht.
2. Net cash used in investing activities is 1,315 million baht, increased by 477 million baht, due to cash received from disposed of property, plant and equipment decreased by 16 million baht, cash paid for purchase of property, plant and equipment increased by 451 million baht, cash paid for the purchase of assets increased by 10 million baht.
3. Net cash received from financing activities is 652 million baht, increased by 431 million baht, due to short-term loans from financial institutions decreased by 785 million baht, cash received from long-term loans from financial institutions increased by 477 million baht, cash paid for long-term loans from financial institutions decreased by 598 million baht, cash paid for loan arrangement fee decreased by 12 million baht, cash paid for lease liabilities decreased by 1 million baht, cash paid for interest expenses of loans decreased by 41 million baht and cash paid for dividend decreased by 87 million baht.

Please be acknowledged for your information.

Sincerely Yours,

(Mr. Wanthana Jaroennawarat)

Director