



13 February 2026

Sub: Explanation on the Company's performance for the quarter ended 31 December 2025

To: President
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") would like to explain its financial statements for the quarter ended 31 December 2025 comparison with for the quarter ended 31 December 2024. The details of financial statements are set out in the attached note.

Income Statements (equity method) (Unit in Million Baht)	For the quarter ended 31 December			
	2025	2024	Increase/(Decrease)	
Revenue from sales of goods	2,036	2,584	(548)	(21%)
Interest income	0.45	0.39	0.1	15%
Other Income	2	1.2	0.8	67%
Cost of sales of goods	2,062	2,483	(421)	(17%)
Distribution expenses	104	178	(74)	(42%)
Administrative expenses	60	47	13	28%
(Loss) Gains on exchange rate	(40)	38	78	205%
Provision expense	22	-	22	100%
Loss from operation	(249)	(84)	165	196%
Finance cost	22	10	12	120%
Share of profit (loss) of associates accounted for using equity method	(545)	690	(1,235)	(179%)
Tax income	16	27	(11)	(41%)
Profit (loss) for the quarter	(801)	622	(1,423)	(229%)
Basic earnings (loss) per share (Baht)	(3.97)	3.09		
Gross profit margin	(1%)	4%		
Net profit margin	(39%)	24%		

1. Income statements (In which the equity method is applied) for the quarter ended 31 December 2025 compared with for the quarter ended 31 December 2024

Net loss for the quarter ended 31 December 2025 was Baht (801) Million compared to net profit of Baht 622 Million of last year, an increase of loss of Baht 1,423 Million or 229%. The significant changes are as follows:



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- 1) Revenue from sales of goods decreased by 21% or Baht 548 Million mainly due to downsizing the business by stopping one line of production out of current 5 lines operations from 25 October 2025.
- 2) Other income increased by 67% or Baht 0.8 Million due to profit on sale of fixed assets.
- 3) Cost of sales of goods decreased by 17% or Baht 421 Million due to reduction in the raw material prices.
- 4) Distribution expenses decreased by 42% or Baht 74 Million mainly due to lower sea freight and lower sales volume during the period.
- 5) Administrative expenses increased by 28% or Baht 13 Million mainly due to employee separation cost.
- 6) The Company has loss on exchange rate of Baht (40) Million compared to gains of Baht 38 Million in same period of last year due to currency fluctuations and forward MTM loss on long term loan.
- 7) Provision expense increased by 100% or Baht 22 Million mainly due to provision made for future obligation.
- 8) Finance cost increased by 120% or Baht 12 Million due to interest on long term loan availed during the period.
- 9) Share of profit (loss) of associates accounted for using equity method decreased by 179% or Baht 1,235 Million due to lower performance and currency fluctuations in associated companies.
- 10) Tax income decreased by 41% or Baht 11 Million mainly due to lower deferred tax.
- 11) Exchange differences on translating financial statements through other comprehensive income decreased by 435% or Baht 109 Million due to fluctuation of Thai Baht against foreign currencies.
- 12) Loss on investment in equity instruments designated at fair value through other comprehensive income decreased by 99% or Baht 564 Million mainly due to change in market price and exchange rate.
- 13) Share of other comprehensive income (loss) of associates accounted for using equity method increased by 149% or Baht 1,698 Million mainly due to fluctuation on foreign exchange rate.
- 14) Gross profit margin for the quarter ended 31 December 2025 was negative at (1%) compared to 4% of last year mainly due to lower sales realization whereas net profit margin was negative at (39%) compared to 24% of last year mainly due to lower performance of associated companies during the period.

As per reasons mentioned above, basic loss per share for the quarter ended 31 December 2025 is Baht (3.97) as compared to profit per share of Baht 3.09 of last year.



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SUSTAINABLE VALUE

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2. Statements of financial position as of 31 December 2025 in comparison with as of 31 March 2025

As of 31 December 2025, total assets decreased by 3% or Baht 1,198 Million, total liabilities decreased by 4% or Baht 270 Million and shareholders' equity decreased by 3% or Baht 925 Million compared to 31 March 2025. The significant changes are as below:

A. ASSETS

- cash and cash equivalents increased by 4246% or Baht 262 Million mainly due to long term loan availed during the period.
- Current financial assets decreased by 50% or Baht 51 Million due to lower deposits compared to same period of last period.
- Inventories decreased by 25% or Baht 650 Million due to downsizing the business by stopping one line of production out of current 5 lines operations from 25 October 2025.

B. LIABILITIES AND SHAREHOLDERS' EQUITY

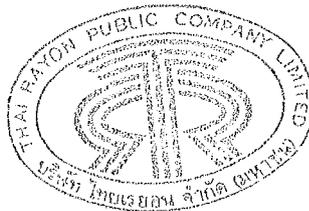
- Trade and other current payables decreased by 39% or Baht 1,215 Million mainly due to lower raw material procurement during the period.
- Short-term loans from financial institution increased by 21% or Baht 291 Million due to increase in borrowing during the period.
- Other current provision decreased by 69% or Baht 968 Million mainly due to investment made in joint venture (AVTB) during the quarter.
- Other current liabilities increased by 146% or Baht 84 Million due to increase in advance from customers
- Long-term loans from financial institution increased by Baht 1,483 Million due to availing the long term loan.

Please be informed accordingly.

Yours faithfully,

Mr. Rajesh Kumar Jha

Vice President (Finance and Commercial)



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