

Varopakorn Public Company Limited
Review report and financial information
For the three-month period ended 31 March 2026

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Varopakorn Public Company Limited

I have reviewed the accompanying financial information of Varopakorn Public Company Limited (the Company), which comprises the statement of financial position as at 31 March 2026, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards as applicable to auditing issued by the Federation of Accounting Professions and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Wato Kayankannavee

Certified Public Accountant (Thailand) No. 5423

EY Office Limited

Bangkok: 14 May 2026

Varopakorn Public Company Limited**Statement of financial position****As at 31 March 2026**

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2026</u> (Unaudited but reviewed)	<u>31 December 2025</u> (Audited)
Assets			
Current assets			
Cash and cash equivalents		25,625	28,323
Trade and other current receivables	3	801,103	610,529
Inventories		746,449	703,945
Derivative assets		20,624	680
Other current assets	4	<u>50,970</u>	<u>65,684</u>
Total current assets		<u>1,644,771</u>	<u>1,409,161</u>
Non-current assets			
Restricted bank deposits		400	400
Property, plant and equipment	5	749,303	765,472
Intangible assets		370	416
Other non-current assets		<u>19,725</u>	<u>12,680</u>
Total non-current assets		<u>769,798</u>	<u>778,968</u>
Total assets		<u><u>2,414,569</u></u>	<u><u>2,188,129</u></u>

The accompanying notes to financial statements are an integral part of the financial statements.

Varopakorn Public Company Limited**Statement of financial position (continued)****As at 31 March 2026**

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2026</u>	<u>31 December 2025</u>
		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	6	150,000	150,000
Accounts payable - trust receipts	6	892,253	621,846
Trade and other current payables		204,905	297,324
Current portion of lease liabilities		1,051	1,036
Current portion of long-term loans	7	25,200	25,200
Derivatives liabilities		1,481	2,823
Other current liabilities		6,542	12,378
Total current liabilities		<u>1,281,432</u>	<u>1,110,607</u>
Non-current liabilities			
Lease liabilities, net of current portion		437	705
Long-term loans, net of current portion	7	4,900	11,200
Non-current provision for employee benefits		21,054	20,146
Deferred tax liabilities		40,800	41,313
Other non-current liabilities		1,009	1,060
Total non-current liabilities		<u>68,200</u>	<u>74,424</u>
Total liabilities		<u>1,349,632</u>	<u>1,185,031</u>

The accompanying notes to financial statements are an integral part of the financial statements.

Varopakorn Public Company Limited

Statement of financial position (continued)

As at 31 March 2026

(Unit: Thousand Baht)

	<u>31 March 2026</u>	<u>31 December 2025</u>
	(Unaudited but reviewed)	(Audited)
Shareholders' equity		
Share capital		
Registered		
100,000,000 ordinary shares of Baht 5 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid		
99,902,123 ordinary shares of Baht 5 each	499,511	499,511
Share premium	374,400	374,400
Retained earnings		
Appropriated - statutory reserve	50,000	50,000
Unappropriated (deficits)	(49,125)	(110,964)
Other component of shareholders' equity	<u>190,151</u>	<u>190,151</u>
Total shareholders' equity	<u>1,064,937</u>	<u>1,003,098</u>
Total liabilities and shareholders' equity	<u>2,414,569</u>	<u>2,188,129</u>
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The accompanying notes to financial statements are an integral part of the financial statements.

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Directors

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(Unaudited but reviewed)

Varopakorn Public Company Limited

Statement of comprehensive income

For the three-month period ended 31 March 2026

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>2026</u>	<u>2025</u>
Profit or loss		
Revenues		
Sales	801,549	923,286
Other income		
Gain on exchange	-	6,522
Gain on derivatives revaluation	19,143	5,936
Others	2,213	3,771
Total revenues	<u>822,905</u>	<u>939,515</u>
Expenses		
Cost of sales	719,635	832,933
Selling and distribution expenses	11,385	12,257
Administrative expenses	13,776	13,922
Loss on exchange	8,839	-
Total expenses	<u>753,635</u>	<u>859,112</u>
Operating profit	69,270	80,403
Finance cost	(7,944)	(14,690)
Profit before income tax	61,326	65,713
Income tax benefit (expense)	513	(421)
Profit for the period	<u>61,839</u>	<u>65,292</u>
Other comprehensive income for the period	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>61,839</u></u>	<u><u>65,292</u></u>
Basic earnings per share		
Profit for the period	<u>0.62</u>	<u>0.65</u>

The accompanying notes to financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Varopakorn Public Company Limited

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2026

(Unit: Thousand Baht)

	Issued and paid-up share capital	Share premium	Retained earnings		Other component of shareholders' equity	Total
			Appropriated - statutory reserve	Unappropriated (deficits)	Other comprehensive income Surplus on revaluation of assets	
Balance as at 1 January 2025	499,511	374,400	50,000	(178,738)	156,791	901,964
Profit for the period	-	-	-	65,292	-	65,292
Total comprehensive income for the period	-	-	-	65,292	-	65,292
Balance as at 31 March 2025	<u>499,511</u>	<u>374,400</u>	<u>50,000</u>	<u>(113,446)</u>	<u>156,791</u>	<u>967,256</u>
Balance as at 1 January 2026	499,511	374,400	50,000	(110,964)	190,151	1,003,098
Profit for the period	-	-	-	61,839	-	61,839
Total comprehensive income for the period	-	-	-	61,839	-	61,839
Balance as at 31 March 2026	<u>499,511</u>	<u>374,400</u>	<u>50,000</u>	<u>(49,125)</u>	<u>190,151</u>	<u>1,064,937</u>

The accompanying notes to financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Varopakorn Public Company Limited

Cash flow statement

For the three-month period ended 31 March 2026

(Unit: Thousand Baht)

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities		
Profit before tax	61,326	65,713
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities		
Depreciation and amortisation	22,937	23,035
Reduction of inventory cost to net realisable value	-	2
Gain on disposal of machinery and equipment	(71)	(51)
Unrealised exchange gain	(583)	(2,636)
Gain on derivatives revaluation	(19,143)	(5,936)
Income from government grant	(52)	(52)
Finance cost	7,944	14,690
Provision for employee benefits	908	794
Profit from operating activities before changes in operating assets and liabilities	73,266	95,559
Operating assets (increase) decrease		
Trade and other current receivables	(170,214)	(102,518)
Inventories	(42,504)	56,442
Other current assets	14,714	(23,041)
Other non-current assets	(7)	-
Operating liabilities decrease		
Trade and other current payables	(95,962)	(45,170)
Other current liabilities	(5,836)	(46,051)
Cash flows used in operating activities	(226,543)	(64,779)
Cash paid for interest expenses	(7,946)	(15,469)
Net cash flows used in operating activities	<u>(234,489)</u>	<u>(80,248)</u>

The accompanying notes to financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Varopakorn Public Company Limited

Cash flow statement (continued)

For the three-month period ended 31 March 2026

(Unit: Thousand Baht)

	<u>2026</u>	<u>2025</u>
Cash flows from investing activities		
Acquisition of machinery and equipment	(6,977)	(5,969)
Proceeds from sales of machinery and equipment	<u>73</u>	<u>51</u>
Net cash flows used in investing activities	<u>(6,904)</u>	<u>(5,918)</u>
Cash flows from financing activities		
Decrease in bank overdrafts and short-term loans from financial institutions	-	(117,490)
Increase in accounts payable - trust receipts	245,249	271,552
Payment of lease liabilities	(254)	(240)
Repayment of long-term loans	<u>(6,300)</u>	<u>(6,300)</u>
Net cash flows from financing activities	<u>238,695</u>	<u>147,522</u>
Net increase (decrease) in cash and cash equivalents	(2,698)	61,356
Cash and cash equivalents at beginning of period	<u>28,323</u>	<u>72,207</u>
Cash and cash equivalents at end of period	<u><u>25,625</u></u>	<u><u>133,563</u></u>
	-	
Supplemental disclosures of cash flow information		
Non-cash transactions		
Decrease in account payable from purchase of machinery and equipment	253	1,875

The accompanying notes to financial statements are an integral part of the financial statements.

Varopakorn Public Company Limited
Condensed notes to interim financial statements
For the three-month period ended 31 March 2026

1. General information

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company presenting condensed interim financial statements. The Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements and has presented notes to the interim financial statements on a condensed basis.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.2 Accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2025.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2026, do not have any significant impact on the Company's financial statements.

2. Related party transactions

During the period, the Company had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unaudited but reviewed)

Summaries business transactions with related parties are as follows.

(Unit: Million Baht)

For the three-month periods
ended 31 March

	<u>2026</u>	<u>2025</u>
<u>Transactions with related company</u>		
Sales of goods	229	244

The Company entered into a distribution agreement with the related companies for the distribution of products to Japanese customers. Commercial terms are as stipulated in the agreement.

The balances of the accounts between the Company and the related parties are as follows:

(Unit: Thousand Baht)

	31 March 2026	31 December 2025
Trade receivables - related parties (Note 3)		
Related companies (related by shareholders)	230,920	212,431
Total trade receivables - related parties	<u>230,920</u>	<u>212,431</u>
Trade and other current payables - related parties		
Related company (related by shareholders and directors)	192	20
Total trade payable and other current payables - related parties	<u>192</u>	<u>20</u>

Directors and management's benefits

(Unit: Million Baht)

For the three-month
periods ended 31 March

	<u>2026</u>	<u>2025</u>
Short-term employee benefits	2.4	2.4
Post-employment benefits	-	0.1
Total	<u>2.4</u>	<u>2.5</u>

(Unaudited but reviewed)

3. Trade and other current receivables

	(Unit: Thousand Baht)	
	31 March 2026	31 December 2025
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	158,718	145,161
Past due		
Up to 3 months	72,202	67,270
Total trade receivables - related parties	230,920	212,431
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	404,747	305,350
Past due		
Up to 3 months	165,341	92,656
3 - 6 months	-	79
9 - 12 months	82	-
Over 12 months	1,437	1,437
Total	571,607	399,522
Less: Allowance for expected credit losses	(1,437)	(1,437)
Total trade receivables - unrelated parties, net	570,170	398,085
Total trade receivables - net	801,090	610,516
<u>Other current receivables</u>		
Other current receivables - unrelated parties	13	13
Total other current receivables	13	13
Total trade and other current receivables - net	801,103	610,529

4. Other current assets

	(Unit: Thousand Baht)	
	31 March 2026	31 December 2025
Input tax refundable	46,630	58,433
Advance payment for goods	487	1,868
Others	3,853	5,383
Total other current assets	50,970	65,684

(Unaudited but reviewed)

5. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2026 are summarised below.

(Unit: Thousand Baht)

	Assets stated at revalued amounts - land	Assets stated at cost	Total
Net book value as at 1 January 2026	278,000	487,472	765,472
Acquisitions during period - at cost	-	6,724	6,724
Disposals during the period - net book value as at disposal date	-	(2)	(2)
Depreciation for period	-	(22,891)	(22,891)
Net book value as at 31 March 2026	<u>278,000</u>	<u>471,303</u>	<u>749,303</u>

The Company has mortgaged land with structures thereon and part of its machinery, with a total net book value as at 31 March 2026 amounting to approximately Baht 513 million (31 December 2025: Baht 525 million) to secure short-term loans, long-term loans and credit facilities from financial institutions.

6. Short-term loans from financial institutions / accounts payable - trust receipts

(Unit: Thousand Baht)

	Interest rate (percent per annum)	31 March 2026	31 December 2025
<u>Short-term loans from financial institutions</u>			
Promissory note	2.7 - 3.2	<u>150,000</u>	<u>150,000</u>
<u>Accounts payable - trust receipts</u>			
Accounts payable - trust receipts	2.4 - 5.3	<u>892,253</u>	<u>621,846</u>

Credit facilities obtained from financial institutions are secured by the mortgage of the Company's land with structures thereon and part of its machinery, as discussed in Note 5 to the financial statements.

(Unaudited but reviewed)

7. Long-term loans

Movements in the long-term loans account during the three-month period ended 31 March 2026 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2026	36,400
Less: Repayment	<u>(6,300)</u>
Balance as at 31 March 2026	<u><u>30,100</u></u>

Long-term loans are secured by the mortgage of the Company's land with structures thereon and part of its machinery as discussed in Note 5 to the financial statements.

The loan agreements contain certain covenants which among other things, require the Company to maintain debt to equity ratio, debt service coverage ratio, and interest coverage ratio at the rate prescribed in the agreements.

8. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Chairman of the Board.

The Company is principally engaged in the manufacture and distribution of semi-finished aluminium products. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits or loss and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment.

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	For the three-month periods ended 31 March	
	<u>2026</u>	<u>2025</u>
Revenue from external customers		
Thailand	284	343
Asia	434	518
Europe	54	35
America	21	22
Oceania	9	5
Total	<u><u>802</u></u>	<u><u>923</u></u>

9. Commitments and contingent liabilities

- 9.1** As at 31 March 2026, the Company had capital commitments relating to the purchases of machinery and equipment and construction of factory buildings, and purchase of raw materials of approximately USD 2 million, Yuan 10 million and Baht 9 million (31 December 2025: USD 5 million, Yuan 2 million and Baht 4 million).
- 9.2** As at 31 March 2026, the Company had service commitments relating to computer software systems and nitrogen gas supply services, approximately Baht 24 million (31 December 2025: Baht 23 million).

In addition, there have been no significant changes with respect to the guarantees as disclosed in Notes 23.3 to the financial assets and statements for the year 2025.

10. Financial instruments**10.1 Fair value of financial instruments**

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

The Company had financial assets and liabilities, that were measured at fair value as follows:

	(Unit: Thousand Baht)	
	Level 2	
	31 March 2026	31 December 2025
Financial assets measured at fair value		
Foreign currency forward contracts	20,624	680
Financial liabilities measured at fair value		
Foreign currency forward contracts	183	100
Commodity swap agreement	1,298	2,723

During the current period, there were no change in the method and assumptions used in estimating the fair value of financial instruments and there were no transfers within the fair value hierarchy.

11. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 May 2026.