

No. Lor Gor. 021/2026

May 15, 2026

President

The Stock Exchange of Thailand

Sub: Clarification on the Company's over 20% change in its operating results for the 1<sup>st</sup> quarter ending March 31, 2026

Dear Sir,

Thai Wacoal Public Company Limited wishes to hereby report to the SET, its clarification report regarding the Company's consolidated operating results for the 1<sup>st</sup> quarter ending March 31, 2026, according to the details as follows:

During the first quarter of 2026, the global economy and international trade showed signs of deceleration amid multiple challenges, particularly uncertainties surrounding the United States' import tariff measures and the conflict in the Middle East, which could potentially lead to the closure of the Strait of Hormuz. These factors resulted in higher energy and commodity prices, thereby affecting production costs, transportation costs, and the economic conditions of many countries, including Thailand. Meanwhile, the Thai economy remained in a slowdown phase, while household debt stayed at a high level. In addition, rising inflation adversely affected consumers' purchasing power and confidence.

### Summary of Operating Performance

In the first quarter of 2026, the Company reported a net loss of Baht 2.87 million, compared to a net loss of Baht 55.27 million in the same period of the previous year. The net loss decreased by Baht 52.40 million, or 94.81% YoY. The net loss per share was Baht 0.02.

The Company generated revenue from the sale of goods and rendering of services totaling Baht 675.71 million, representing a decrease of Baht 50.70 million, or 6.98%, compared to the previous year. This was mainly attributable to a decrease in overseas sales of Baht 59.81 million, or 27.28% YoY, primarily due to lower purchase orders from overseas customers and the appreciation of the Thai Baht. Nevertheless, the Company reported a lower net loss, driven by improved cost and expense management.

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Unit: Million Baht

Summary of Operating Results	Q1/26	Q1/25	YoY%
Revenue from sale of goods and rendering of services	675.71	726.40	(6.98)
Cost of sales and rendering of services	(426.67)	(508.91)	16.16
Gross profit	249.04	217.49	14.51
Other income	28.38	46.40	(38.84)
Selling and administrative expenses	(278.90)	(330.93)	15.72
Net profit (loss)	(2.87)	(55.27)	94.81
Net profit (loss) attributable to owners of the parent	(2.87)	(55.27)	94.81

Cost of sales and rendering of services accounted for 63.14% of total revenue from the sale of goods and rendering of services, representing a decrease of 6.92% compared to the previous year. The decrease was primarily attributable to the Company's effective management of raw materials and import costs of finished goods, as well as continuous improvements in operational efficiency and reductions in production expenses.

Selling and administrative expenses amounted to Baht 278.90 million, representing a decrease of Baht 52.03 million compared to the previous year. The decrease was primarily attributable to the Company's efficient expense management, including improved store management to reduce selling expenses, as well as a reduction in marketing expenditures that did not directly contribute to sales.

Other income amounted to Baht 28.38 million, representing a decrease of Baht 18.02 million compared to the previous year. The decrease was primarily attributable to lower dividend income received.

## Summary of Financial Position

### Total assets

As at March 31, 2026, total assets amounted to Baht 5,930.98 million, representing an increase of Baht 53.25 million, or 0.91%, compared to the previous year. The key items were as follows:

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- Inventories amounted to Baht 927.63 million, representing an increase of Baht 31.62 million, or 3.41%, compared to the previous period. The increase was due to the preparation of new products to support sales in the subsequent period.
- Other non-current financial assets amounted to Baht 2,788.71 million, representing an increase of Baht 38.92 million, or 1.42%, due to an increase in the market price of ordinary shares resulting from the fair value measurement of investments.

### Total liabilities and shareholders' equity

The Company reported total liabilities of Baht 927.57 million, representing an increase of Baht 24.98 million compared to the previous year, which remained broadly in line with the prior period.

Shareholders' equity amounted to Baht 5,003.41 million, compared to Baht 4,975.14 million in the previous year, representing an increase of Baht 28.27 million. This was due to an increase in the market price of ordinary shares resulting from the fair value measurement of financial assets.

Unit: Million Baht

Summary of Financial Position	Q1/26	Q1/25	YoY%
Total Assets	5,930.98	5,877.73	0.91
Total Liabilities	927.57	902.59	2.77
Total Shareholders' equity	5,003.41	4,975.14	0.57
Debt to Equity ratio (times)	0.19	0.18	

### Factors or situations that may have an impact on the financial status or operations of the Company in the future

The Company has a policy of collaborating with distributors to expand new distribution channels and focuses on continuous marketing efforts, including the development of high-quality products and new innovations to meet consumer demand. Another factor that may affect future operations is that the Company imports raw materials and exports finished goods in foreign currencies, which incurs the risk of fluctuations in foreign exchange rates. The Company has in place measures to manage and reduce such risks of fluctuations in foreign exchange rates through a Natural Hedge process; whereby sales revenues in foreign currencies are used to pay for imports of goods that are

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in the same foreign currency, together with paying overseas business partners, who are simultaneously our creditors and debtors, by a Netting off process of payable and receivable amounts due. In addition, the Company manages foreign exchange risk by entering into foreign currency forward contracts (forwards) for the remaining outstanding foreign currency balances.

### **Sustainable Development Duties**

The Company is committed to governance and driving sustainability, the Company prioritizes the review of policies, goals, and sustainability strategies across economic, social, and environmental dimensions, in line with the good corporate governance principles This commitment is reflected in the Company’s continuous implementation of the “Wacoal Pink Ribbon, Fight Against Breast Cancer” project since 2000, aimed at raising awareness among Thai women about the importance of breast cancer screening, as breast cancer is the most common cancer among Thai women. In addition, the Company has continued the “Wacoal BRADAY: Old Bras, We Ask For” project for the 14<sup>th</sup> consecutive year by systematically managing and properly disposing of used lingerie products. This initiative helps reduce environmental impact, particularly by lowering PM 2.5 levels, reducing community waste, and decreasing carbon dioxide emissions. Furthermore, the Company has received an “Excellent” rating in corporate governance assessment for the 11<sup>th</sup> consecutive year.

The Company hereby reports to the SET accordingly.

Faithfully Yours,

**Boondee Amnuayskul**

(Mr. Boondee Amnuayskul)

Chief Executive Officer and Managing Director