

No. TMC\_CS-010/2569

13 May 2026

Subject Management Discussion and Analysis (MD&A) for the Operating Results for Q1/2026

To The President

The Stock Exchange of Thailand

## Economic Overview

In 2026, Thailand's manufacturing sector continues to face significant transformation driven by economic conditions, technological advancements, and intensifying global competition. As a result, industrial operators are required to rapidly adapt in order to maintain their competitiveness, particularly companies in the automotive parts and manufacturing sectors, which have been affected both directly and indirectly by the current economic environment.

The Thai economy remains in a gradual recovery phase, with domestic purchasing power yet to fully strengthen, while operating costs continue to rise, including labor costs, electricity expenses, raw material prices, and financing costs. These factors have placed increasing pressure on the manufacturing sector in terms of cost management and declining profit margins. At the same time, many customer segments remain cautious in their spending and continue to delay investments, resulting in greater volatility in purchase orders across certain industries.

In addition, the increasing presence of Chinese manufacturers and intensified price competition have become key challenges for Thai entrepreneurs. Many manufacturers are facing stronger pricing pressure from customers, as well as competition from overseas producers with lower production costs. Nevertheless, such challenges also create opportunities for companies with high manufacturing standards, effective management systems, and the ability to meet customer requirements in terms of quality and timely delivery to gain access to new supply chains both domestically and internationally.

Meanwhile, ESG, sustainability, and good corporate governance have become increasingly important to investors, customers, and global business partners. Companies that are able to transform themselves toward becoming green industries, establish sustainable management systems, and demonstrate transparency in their operations will have greater opportunities to build stakeholder confidence and achieve long-term competitive advantages.

Although the current economic environment remains highly challenging, it also represents an important transitional period for Thailand's industrial sector. Companies that can adapt quickly, invest in technology, enhance their production capabilities, and focus on future-oriented businesses will be able to turn

challenges into opportunities and achieve sustainable long-term growth, particularly organizations with strong potential to evolve into modern industrial enterprises in the future.

## Operating Results for Q1/2026 Ended 31 March 2026

T.M.C. Industrial Public Company Limited would like to report the operating results and financial position of the Company and its subsidiaries for the period ended 31 March 2026, the key details of which are summarized as follows:

Unit : Thousand Baht

Descriptions	Q1/2026		Q1/2025		Increase (Decrease)	
					Quantity	Proportion
Revenue from Sales and Services	53,454	100%	44,957	100%	8,497	19%
Cost of Sales and Services	(47,360)	-89%	(38,575)	-86%	8,785	23%
<b>Gross Profit</b>	<b>6,094</b>	<b>11%</b>	<b>6,382.00</b>	<b>14%</b>	(288)	-5%
Other Income	1,482	3%	1,733	4%	(251)	-14%
Selling and Administrative Expenses	(13,338)	-25%	(15,518)	-35%	2,180	14%
<b>Profit (Loss) before Finance Costs and Share of Profit (Loss) of Associates</b>	<b>(5,762)</b>	<b>-11%</b>	<b>(7,403)</b>	<b>-16%</b>	1,641	22%
Finance Costs	(188)	-0.4%	(227)	-1%	39	17%
Share of Profit of Associates	-	0%	-	0%	-	0%
<b>Profit (Loss) before Income Tax</b>	<b>(5,950)</b>	<b>-11%</b>	<b>(7,630)</b>	<b>-17%</b>	1,680	22%
Income Tax	-	0%	-	0%	-	0%
<b>Net Profit (Loss)</b>	<b>(5,950)</b>	<b>-11%</b>	<b>(7,630.00)</b>	<b>-17%</b>	1,680	22%

The Company reported a net loss of THB 5.95 million for Q1/2026, representing a decrease in net loss of THB 1.68 million, or 22%, compared to Q1/2025. The Company would like to clarify the significant changes in its operating results as follows:

### Revenue

In Q1/2026, the Company recorded revenue from sales and services of THB 53.45 million, an increase of THB 8.50 million from Q1/2025. Details are explained in the section “Revenue, Cost of Sales, and Gross Profit by Product Category.”

### Cost of Sales and Services

In Q1/2026, the Company's cost of sales and services amounted to THB 47.36 million, increasing by THB 8.79 million, or 23%, compared to Q1/2025. The increase was mainly attributable to rising costs of steel, consumable materials, transportation, and other related expenses as a result of higher oil prices driven by wars and geopolitical conflicts. However, the Company had anticipated the utilization of raw materials in advance and had already procured certain materials beforehand.

### Gross Profit

In Q1/2026, the Company reported gross profit of THB 6.09 million, representing a gross profit margin of 11%, decreasing by THB 0.29 million from Q1/2025. Nevertheless, the Company continued to focus on increasing sales from both existing and new customers, while introducing new products in order to maintain sales and profitability.

### Selling and Administrative Expenses

In Q1/2026, selling and administrative expenses amounted to THB 13.34 million, representing 25% of total revenue, decreasing by THB 2.18 million, or 14%, compared to Q1/2025. The decrease was mainly due to the retirement of certain executives and employees at the end of 2025, resulting in lower personnel-related expenses.

### Finance Costs

In Q1/2026, finance costs amounted to THB 0.19 million, decreasing by THB 0.04 million, or 17%, compared to Q1/2025. Such finance costs mainly comprised interest expenses arising from lease agreements.

### Corporate Income Tax

The Company recorded no corporate income tax expenses in Q1/2026 and Q1/2025 due to tax loss carryforwards from prior years. Accordingly, no income tax expenses were recognized during Q1/2026.

### Net Profit (Loss)

In Q1/2026, the Company reported a net loss of THB 5.95 million, representing 11% of revenue, improving from Q1/2025 by THB 1.68 million, or 22%. The net loss was primarily attributable to higher prices of key raw materials resulting from wars and geopolitical conflicts.

### Revenue, Cost of Sales, and Gross Profit by Product Category

#### ■ Machinery Manufacturing and Sales Business

Revenue from the manufacturing and distribution of machinery business increased by THB 6.31 million, or 23%, compared to Q1/2025, mainly due to higher sales of HYDRAULIC PRESS MACHINES and HYDRAULIC CRANES.

■ **Machinery Repair, Maintenance, and Relocation Services**

Revenue from service businesses increased by THB 1.94 million, or 13%, primarily from repair services for HYDRAULIC CRANES and HYDRAULIC PRESS MACHINES.

■ **Healthcare Services Business**

Revenue from the healthcare services business increased by THB 0.24 million, or 15%, as the business became more widely recognized among customers during Q1/2026. In addition, the clinic's location is situated in an area with a high concentration of Middle Eastern visitors.

**Statement of Financial Position**

Unit : Thousand Baht

Descriptions	31 March 2026		31 December 2025		Increase (Decrease)	
Current Assets	478,441	73%	478,308	73%	133	0%
Non-Current Assets	179,038	27%	176,379	27%	2,659	2%
<b>Total Assets</b>	<b>657,479</b>	<b>100%</b>	<b>654,687</b>	<b>100%</b>	<b>2,792</b>	<b>0%</b>
Current Liabilities	44,573	7%	36,429	6%	8,145	22%
Non-Current Liabilities	38,315	6%	37,718	6%	597	2%
<b>Total Liabilities</b>	<b>82,888</b>	<b>13%</b>	<b>74,146</b>	<b>11%</b>	<b>8,742</b>	<b>12%</b>
Shareholders' Equity	574,591	87%	580,541	89%	(5,950)	-1%
<b>Total Liabilities and Shareholders' Equity</b>	<b>657,479</b>	<b>100%</b>	<b>654,687</b>	<b>100%</b>	<b>2,792</b>	<b>0%</b>

**Assets**

As of 31 March 2026, the Company's total assets amounted to THB 657.48 million, decreasing by THB 2.79 million, or 2%, compared to total assets of THB 654.69 million as of 31 December 2025. The change was mainly attributable to an increase in cash and cash equivalents of THB 24.46 million, a decrease in trade receivables of THB 25.56 million, a decrease in current income tax assets of THB 1.17 million, a decrease in right-of-use assets of THB 0.13 million, a decrease in other current financial assets of THB 10.20 million, and a decrease in other non-current financial assets of THB 2.53 million. Meanwhile, net inventories increased by THB 5.77 million, net property, plant and equipment increased by THB 3.96 million, and other non-current assets and other assets increased by THB 8.19 million.

### Liabilities

As of 31 March 2026, the Company's total liabilities amounted to THB 82.89 million, increasing by THB 8.74 million, or 12%, compared to total liabilities as of 31 December 2025. The increase was mainly due to large purchases of raw materials, resulting in an increase in trade and other payables of THB 8.26 million, as well as an increase in current employee benefit obligations and other liabilities of THB 0.48 million

### Equity

As of 31 March 2026, the Company's shareholders' equity amounted to THB 574.59 million, decreasing by THB 5.95 million, or 1%, compared to 31 December 2025, primarily due to the Company's net loss for the period.

### Key Financial Ratios

Descriptions	Q1/2026	2025	Difference
1. Current Ratio	10.73	13.13	-2.40
2. Debt/Equity Ratio	0.14	0.13	0.1

#### Current Ratio

As of 31 March 2026, the Company's current ratio was 10.73 times, decreasing by 2.4 times compared to 31 December 2025. Nevertheless, the Company continued to maintain a very high level of liquidity and had no interest-bearing debt obligations.

#### Debt to Equity Ratio

As of 31 March 2026, the Company's debt-to-equity ratio was 0.14 times, which was relatively consistent with the ratio as of 31 December 2025.

Unit : Thousand Baht

Cash Flow Statement	31 March 2026	31 December 2025	Increase (Decrease)
Operating Activities	19,356	(1,108)	(20,464)
Investing Activities	5,943	(3,345)	(9,288)
Financing Activities	(972)	(1,150)	(178)
Effect of Exchange Rate Changes	133	(7)	(140)
Net Cash Flow	24,460	(5,610)	30,070
Cash and Cash Equivalents at Beginning of Period	88,187	81,978	(6,209)
Cash and Cash Equivalents at End of Period	112,647	76,368	36,279

Cash flows as of 31 March 2026, the Company and its subsidiaries reported total cash flows of THB 88.19 million, increasing by THB 6.21 million from THB 81.98 million as of 31 December 2025. The key details are summarized as follows:

**Operating Activities** The variance in cash flows from operating activities was mainly attributable to a decrease in cash receipts from collections of trade receivables and other items amounting to THB 20.46 million.

**Investing Activities** The variance in cash flows from investing activities was mainly due to a decrease in cash payments for fixed deposits for investment purposes amounting to THB 12.84 million, an increase in cash payments for asset acquisitions amounting to THB 6.74 million, and a decrease in cash payments for interest expenses capitalized as costs of assets and other items amounting to THB 4.48 million.

**Financing Activities** The variance in cash flows from financing activities was mainly attributable to an increase in lease liabilities amounting to THB 0.18 million.


## Outlook and Strategic Plans for Q1/2026

### Outlook and Strategic Plans for Q1/2026

1. Products and Services The Company has adjusted its business management structure in order to enhance its competitiveness, as follows:

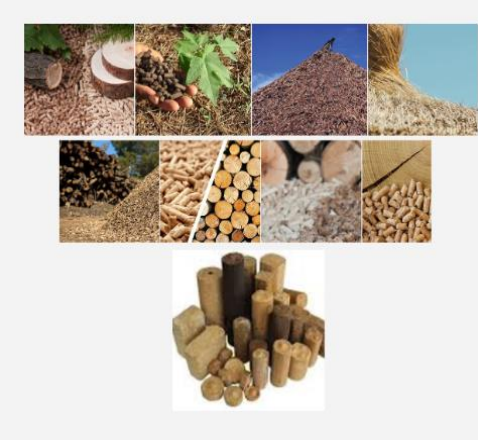
**1.1 Machinery Manufacturing and Sales Division** This division includes the Company's existing products as well as new products designed to improve energy efficiency and reduce global warming, as follows:

#### Biomass Carbonization System – Biochar Furnace

	<p><b>Operating Characteristics:</b></p> <p>The biomass charcoal furnace system has been developed with a design in which one section of the furnace serves as the fuel combustion chamber to generate heat and transfer it to the carbonization chamber used for producing biochar. The heat transfer process occurs through thermal convection within the furnace system.</p> <p>Part of the heat is released directly to the outside through a pipe connected from the combustion</p>
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<p><b>Remark:</b></p> <ul style="list-style-type: none"> <li>- Production capacity: 200 liters per batch</li> <li>- Production capacity: 1,000 liters per batch</li> <li>- Production capacity: 5,000 liters per batch</li> </ul>	<p>chamber, which induces airflow into the combustion chamber. Meanwhile, the large amount of smoke generated within the biochar production chamber is trapped and directed to circulate through pipes leading to the lower combustion chamber. The smoke is then eliminated through complete combustion, resulting in a smokeless process while simultaneously generating additional heat to substitute part of the fuel consumption.</p>
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**Biomass Production System**

	<p><b>Operating Characteristics:</b></p> <p>The biomass production system is designed to convert organic materials that can be transformed into energy sources. These include various agricultural residues such as rice straw, rice husks, bagasse, palm bunches, wood chips, waste from agro-industrial processing plants, and community waste. In this context, the focus is specifically on agricultural residues, which are processed into fuel for generating heat used in cooking and industrial manufacturing processes.</p> <p>The production process begins with the collection of raw materials, followed by size reduction and drying to reduce moisture content. The processed materials are then conveyed for briquetting and subsequent packaging.</p>
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**1.2 1.2 Machinery Repair, Maintenance, and Relocation Services Division** The Company has established a separate division for machinery repair, maintenance, and relocation services to enhance management efficiency and competitiveness.

Products and Services

# Care Service

## บริการซ่อมเครื่องจักร

- ซ่อมบำรุงเครื่องจักรไฮดรอลิก T.M.C.
- ทีมงานมืออาชีพพร้อมบริการ
- ให้คำแนะนำและคำปรึกษาพร้อมตรวจเช็คหน้างานฟรี

[www.tmc.co.th](http://www.tmc.co.th)

\*หมายเหตุ: เรือไทยเป็นไปตามที่บริษัทกำหนด

(66 38)-271933 | สอบถามเพิ่มเติม

ID facebook : @fzv4453d  
IDLINE : @fzv4453d

**1.3 Health Services Business** For the clinic services business, the Company has expanded its service offerings by introducing the Hyperbaric Oxygen Therapy (HBOT) Chamber, or “high-pressure oxygen therapy” system. This technology enables patients to breathe pure oxygen under pressure levels higher than normal atmospheric pressure, thereby increasing the amount of oxygen in the bloodstream and enhancing oxygen delivery to various tissues throughout the body.

**PALMYRA NEW program HBOT**

**Exclusive Review Benefits**  
— ลดพิเศษ 5% —  
สำหรับการเข้ารับบริการครั้งแรก

**Hyperbaric Oxygen Therapy (HBOT)**

1 ท่าน / Session	ราคาปกติ 3,900 THB	ลดเหลือ <b>3,705.- THB</b>
2 ท่าน / Session	ราคาปกติ 6,500 THB	ลดเหลือ <b>4,655.- THB</b>

เฉพาะ Online เท่านั้น\*\*

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## Progress of the Implementation of the Sustainability Development Plan

### Sustainable Business Strategy

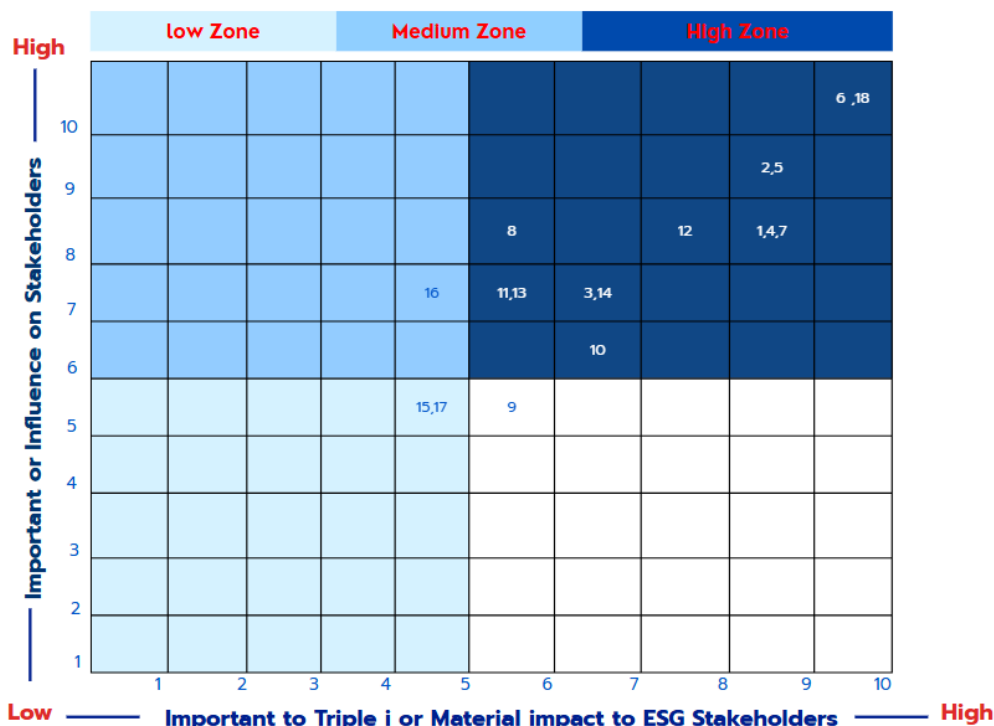
In line with the Company's vision to develop internationally recognized, high-quality machinery innovations that comprehensively meet customer needs, while driving the organization through sustainable business practices and ethical conduct for the greatest benefit of the economy, society, and the environment, the Company has established the "4 Greens" strategy as a framework for its operations in order to align with its approach toward sustainable organizational development, as follows:



GOVERNANCE AND ECONOMICS	SOCIAL	ENVIRONMENT	
<p><b>Green Company</b> Organizational Development: Focus on managing and developing resources efficiently and training personnel to have knowledge in environmental management.</p>	<p><b>Green Procurement</b> Sustainable Procurement: Choose environmentally friendly materials and services from manufacturers with sustainable standards.</p>	<p><b>Green Process</b> Improve Production Processes: Use modern technology to reduce waste and energy to increase production efficiency.</p>	<p><b>Green Products</b> Environmentally friendly products: Develop products to use recycled materials and environmentally friendly production processes.</p>
<ul style="list-style-type: none"> <li>• Good Corporate Governance</li> <li>• Anti-Corruption</li> <li>• Building Good Relationships and Producing Quality Products According to customer needs</li> <li>• Co-developing business partners in conducting business responsibly</li> <li>• Focusing on creating innovations and new technologies</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Care and Development</li> <li>• Considering Human Rights and Fair Labor Treatment</li> <li>• Promoting Good Health and Safety at Work</li> <li>• Complaint Management</li> <li>• Community Support and Engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Management System: To reduce the environmental impacts caused by business operations</li> <li>• Reducing Energy Consumption and Using Energy Efficiently</li> <li>• Reducing Greenhouse Gas Emissions into the Atmosphere</li> <li>• Risk Management</li> <li>• Efficient Resources Usage</li> <li>• Improving Water Management</li> </ul>	<ul style="list-style-type: none"> <li>• Research and Develop Environmentally Friendly Products</li> <li>• Create Production System Standards</li> <li>• Traceability: Create a tracking system from raw material procurement, production, and delivery to ensure that there are no impacts on the environment and society.</li> </ul>

### Materiality Assessment Results

The Company places importance on sustainable development in the areas of corporate governance, economic, social, and environmental dimensions. The Company has conducted stakeholder engagement surveys, impact assessments, and prioritization of key sustainability issues. In 2025, the Company identified 18 material sustainability topics, as follows:



**Governance/ Economics**

- 1. Good Corporate Governance and Anti-Corruption
- 2. Risk Management
- 3. Sustainable Supply Chain Management
- 4. Product Quality and Product Standards Development
- 5. Innovation management
- 6. Economic performance

**Social**

- 7. Employee Care and Skill Development
- 8. Occupational Health and Safety
- 9. Human Rights and Non-Discrimination
- 10. Safety Practices
- 11. Community Support and Involvement
- 12. Employee Attraction and Retention

**Environment**

- 13. Water and Wastewater Management
- 14. Alternative Energy
- 15. Greenhouse Gas Emissions
- 16. Waste Management
- 17. Air Quality Control
- 18. Sustainable Environmental Management

### Disclosure in Accordance with International Standards and ESG Assessment Results

#### Disclosure in Accordance with International Standards

1. GRI : Global Reporting Initiative
2. CDP : Carbon Disclosure Project
3. SASB : Sustainability Accounting Standard Board

### Assessment Results for 2025

1. The Company's CG Score was upgraded from 3 stars to 4 stars under the Corporate Governance Report of Thai Listed Companies (CGR) conducted by the Thai Institute of Directors Association.
2. The Company received the Outstanding Innovation Company Award from the Stock Exchange of Thailand.
3. The Company received CAC Certification from the Thai Institute of Directors Association.
4. The Company obtained ISO 14001:2015 Certification.

### Sustainable Business Goals

Goals	2025 Performance / Progress Toward Target	Target Year
<b>Economics</b>		
EBITDA 40 million baht	19.35 million baht	2028
<b>Governance</b>		
CAC Certification	Certified	2026
<b>Climate Action</b>		
Reduce greenhouse gas emissions by at least 7% compared to the base year	Assessment not yet conducted	2028

Please be informed accordingly.

Sincerely,

(Mr. Warin Phadungsinth)  
Managing Director