



12 May 2026

To: President  
The Stock Exchange of Thailand

Re: Management Discussion and Analysis (MD&A) for the first quarter of 2026 ended as at 31 March 2026

P.C.S. Machine Group Holding Public Company Limited (“the Company”) would like to inform the Management Discussion and Analysis (MD&A) for the first quarter of 2026 ending at 31 March 2026 as follow;

#### Summary of Automotive Industry for the first quarter of 2026

The Automotive Industry Club, the Federation of Thai Industries, reported the information of overall automotive industry in the first quarter of 2026 as follows.

- Total production of cars was 369,751 units, representing an increase of 5.3% compared to the same period of 2025 at 351,062 units, driven by the recovery of the pick-up truck production from a low base during 2024 - 2025. However, production decreased by 2.6% from the fourth quarter of 2025 at 379,762 units, mainly due to the discontinuation of certain internal combustion passenger car models.
- The production of 1-ton pickup trucks, including Pick-Up Passenger Vehicle (PPV or SUV), totaled 245,357 units, increasing 7.2% compared to the same period of 2025 at 228,977 units, and increasing 11.1% from the fourth quarter of 2025 at 220,883 units. This was due to a gradual recovery in domestic demand, along with the financial institutions are easing in granting loans, especially car leasing, which accounts for the majority of vehicle purchases in Thailand, in line with improving consumer confidence.
- The production of Battery Electric Vehicles (BEV) was 10,495 units, representing 2.8% of total domestic car production, which remains a relatively small proportion. The production increased by 12.6% compared to the same period of 2025 at 9,318 units, but decreased significantly by 64.7% from the fourth quarter of 2025 at 29,730 units, as manufacturers had accelerated production ahead of the expiration of the EV 3.0 Scheme in 2025.
- The domestic car sales were 182,043 units, increasing 18.8% compared to the same period of 2025 at 153,193 units, and increasing 5.1% from the fourth quarter of 2025 at 173,197 units. The supporting factor was vehicle deliveries during the Motor Show event, particularly BEVs in late March 2026, as well as the recovery in commercial vehicle sales.
- The vehicle exports were 219,994 units, decreasing 2.0% compared to the same period of 2025 at 224,471 units, and decreasing 10.8% from the fourth quarter of 2025 at 246,719 units. This was mainly impacted by uncertainties surrounding U.S. import tariff policies, the appreciation of the Thai Baht against the U.S. Dollar, and the closure of the Strait of Hormuz in March 2026, which pressured exports to the Middle East. However, exports to other regions, including Australia, Africa, Europe, Central America, and South America, continued to show strong growth.

Financial Overview for Quarterly Comparison of the first quarter of 2026

(Unit : Baht million)

Descriptions	Q1-2026	Q4-2025	Q1-2025	Changes QoQ (%)	Changes YoY (%)	Ratio to Sales Q1-2026	Ratio to Sales Q4-2025	Ratio to Sales Q1-2025
Sales Revenue	675.6	713.8	779.4	-5.4%	-13.3%			
Other Revenue	10.9	2.9	15.6	275.8%	-30.1%			
Total Revenue	686.5	716.7	795.0	-4.2%	-13.6%			
Cost of Goods Sold	514.1	521.1	557.0	-1.3%	-7.7%	76.1%	73.0%	71.5%
Gross Profits	161.5	192.7	222.4	-16.2%	-27.4%	23.9%	27.0%	28.5%
SG&A	49.1	50.7	51.1	-3.2%	-3.9%	7.3%	7.1%	6.6%
Net Profit	124.8	106.5	188.3	17.2%	-33.7%	18.2%	14.9%	23.7%
- Local Business	120.9	150.3	182.2	1.3%	-33.6%	17.9%	16.7%	23.4%
- Overseas Business	(4.0)	(5.0)	(6.1)					
- Impairment loss on financial assets from the overseas business	-	(31.0)	-					
- Gain (Loss) on Fx (Unrealized)	7.9	(7.8)	12.2					

Financial Summary for the Statement of Comprehensive Income for the first quarter of 2026

- The Company recorded Sales Revenue of Baht 675.6 million, decreasing 13.3% from Baht 779.4 million in the first quarter of 2025, and decreasing 5.4% from Baht 713.8 million in the fourth quarter of 2025. The main reason was a significant decline in indirect export sales of EV automotive parts to certain major customers, while sales to domestic customers in internal combustion engine (ICE) parts and pickup truck components increased.
- Cost of goods sold to sales revenue ratio increased to 76.1%, compared to 71.5% in the first quarter of 2025 and 73.0% in the fourth quarter of 2025. This was due to the decline in sales revenue, resulting in certain fixed costs not being reduced in a timely manner. In addition, raw material costs increased from supply chain disruptions caused by geopolitical tensions in the Middle East. Nevertheless, the Company has closely monitored and strictly managed costs during the period.
- Gross profit for the first quarter of 2026 was Baht 161.5 million, representing a gross profit margin of 23.9%, decreasing from 28.5% or Baht 222.4 million in the first quarter of 2025, and decreasing from 27.0% or Baht 192.7 million in the fourth quarter of 2025. This was mainly due to the decline in sales revenue and the higher proportion of cost of goods sold.

- Selling and administrative expenses were Baht 49.1 million, representing 7.3% of sales revenue, decreasing from Baht 51.1 million or 6.6% of sales revenue in the first quarter of 2025, and decreasing from Baht 50.7 million or 7.1% of sales revenue in the fourth quarter of 2025, as a result of the Company's expense management policy in response to domestic automotive industry conditions.
- For the first quarter of 2026, the Company recorded an unrealized gain on foreign exchange of Baht 7.9 million due to the depreciation of Thai Baht against the Euro during the quarter. However, if the Euro depreciates (or Thai Baht appreciates), this would result in an unrealized foreign exchange loss accordingly.
- Net profit for the first quarter of 2026 was Baht 124.8 million, with a net profit margin of 18.2% and basic earnings per share of Baht 0.09, comparing to net profit of Baht 188.3 million in the first quarter of 2025 and Baht 106.5 million in the fourth quarter of 2025. If excluding unrealized foreign exchange gain (loss) and impairment loss on financial assets from overseas operations, the Company would record normal operating net profit of Baht 116.9 million in the first quarter of 2026, decreasing from Baht 176.1 million in the first quarter of 2025 and from Baht 145.3 million in the fourth quarter of 2025.

#### Cash Flow Statement

(Unit : Baht million)

Descriptions	As at 31 Mar 2026	As at 31 Mar 2025	Changes +/-(-)
Cash flows from operating activities	119.2	157.6	(38.4)
Cash flows used in investing activities	(464.7)	(63.9)	(400.8)
Cash flows used in financing activities	(5.5)	(5.1)	(0.4)
Net increase (decrease) in cash	(354.6)	79.7	
<b>Cash and cash equivalents</b>	<b>149.9</b>	<b>443.6</b>	

The Company's cash and cash equivalents (saving and current accounts only) as of 31 March 2026 totaled Baht 149.9 million (as at 31 December 2025 was Baht 502.6 million). However, if including all cash, savings deposits, special savings deposits, fixed deposits, and investments, the Company's total cash on hand totally amounted to Baht 3,015.0 million at the end of the first quarter of 2026.

(+) Cash flow from operating activities was Baht 119.2 million.

(-) Cash flow used in investing activities was Baht 464.7 million, mainly due to investments in special savings deposits amounting to Baht 458.2 million, and investing in machinery and equipment to support production amounting to Baht 11.8 million.

(-) Cash flow used in financing activities was Baht 5.5 million, from the payment of current liabilities and interest under lease agreements.

**Statement of Financial Position**

(Unit: Baht million)

Descriptions	As of 31 Mar 2026	As of 31 Dec 2025	Changes + / (-)
Current Assets	3,865.0	3,790.5	74.5
Non-current Assets	1,945.0	1,991.0	(46.0)
<b>Total Assets</b>	<b>5,810.0</b>	<b>5,781.5</b>	<b>28.5</b>
Current Liabilities	242.3	340.5	(98.2)
Non-current Liabilities	404.0	400.6	3.4
<b>Total Liabilities</b>	<b>646.3</b>	<b>741.1</b>	<b>(94.8)</b>
Paid-up Share Capital	1,525.0	1,525.0	-
Share Premium	2,741.7	2,741.7	-
Retained Earnings	792.1	667.3	124.8
<b>Total Shareholders' Equity</b>	<b>5,163.7</b>	<b>5,040.4</b>	<b>123.3</b>

**Total Assets** as of 31 March 2026 were Baht 5,810.0 million.

- Current Assets increased by Baht 74.5 million, mainly due to the investment in special savings deposits, resulting in current assets increased of Baht 458.2 million, which was partially offset by a decrease of Baht 352.7 million in bank deposits classified as cash equivalents.
- Non-current Assets decreased by Baht 46.0 million, mainly due to a decrease in machinery and equipment, primarily from depreciation expense for the first quarter of 2026 of Baht 61.8 million, offset by purchases of machinery, equipment, and production support systems during the period amounting to Baht 11.2 million.

**Total liabilities** as of 31 March 2026 were Baht 646.3 million, decreasing by Baht 94.8 million from the end of 2025. The decrease was mainly due to a reduction in current liabilities to trade suppliers of Baht 103.4 million. The Company had neither short-term nor long-term borrowings from any financial institution, as the Company continued to maintain positive operating results and improving liquidity.

**Equity** as of 31 March 2026 was Baht 5,163.7 million, increasing by Baht 123.3 million compared to the end of 2025, mainly due to the total comprehensive income for the period.

Please be informed accordingly.

Sincerely Yours,



(Mr. Banlang Rungrotkitiyot)

Chief Executive Officer