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November 12, 2026

Subject : Management Discussion and Analysis (MD&A) for the Third Quarter of 2026

To : President, The Stock Exchange of Thailand

Union Plastic Public Company Limited (UP) hereby submits the Management Discussion and Analysis (MD&A) for the operating results for the Third quarter of 2026, ended September 30, 2026, based on the financial statements in which investments are accounted for using the equity method.

1. Overview of Business Operations, Economic Conditions, and Industry Environment Affecting the Company's Performance

In the third quarter of 2026, the Thai economy continued to expand at a moderate pace. Meanwhile, the automotive industry remained volatile, driven by fluctuations in domestic purchasing power, export conditions, and the ongoing transition toward hybrid electric vehicles (HEVs) and battery electric vehicles (BEVs). These factors led customers to adjust their purchase orders and production plans in response to prevailing market conditions, thereby affecting the Company's operations. As the Company is engaged in plastic injection molding services and the manufacture of components for the automotive industry, its operations were affected by fluctuations in order volumes, as well as changes in raw material, energy, and transportation costs. Nevertheless, the Company continues to focus on cost control, enhancing production efficiency, and preparing for new products and vehicle models in order to maintain its competitiveness and support sustainable operating performance.

2. Summary of Key Events and Significant Developments in the Third Quarter of 2026

In the third quarter of 2026, the Company remained focused on improving operational efficiency through enhanced production capacity utilization and effective cost control, while continuing to reduce waste and prepare for upcoming customer projects.

In late September 2026, heavy rainfall and flood risks in the Bang Chan Industrial Estate area resulted in a temporary suspension of the Company's operations and the postponement of certain product deliveries to the subsequent reporting period. Following the easing of the situation, the Company promptly adjusted its production and delivery plans in order to mitigate the impact on its operations and customers.

3. Summary of Operating Results

Summary of Operating Results **Unit: Baht million**

Item	Q3/2026	Q2/2026	Q3/2025	Increase (Decrease) compared with the same quarter of 2025	%
Revenue from sales and services	154.0	148.8	140.7	13.3	9.5
Cost of sales and services	142.5	136.1	134.7	7.8	5.8
Gross profit	11.5	12.7	6.0	5.5	91.2
Gross Profit Margin	7.5	8.5	4.3		
Loss from Operations	(4.0)	(0.8)	(7.5)	3.5	(46.3)
Profit (Loss) for the Period	(3.3)	0.1	(6.0)	2.7	(45.5)

3.1 Revenue from Sales and Services

- For the third quarter of 2026, the Company recorded revenue from sales and services of Baht 154.0 million, an increase of Baht 13.3 million, or 9.5%, compared with the same quarter of 2025. The increase was primarily attributable to higher orders for automotive parts from the Company's major customers.

3.2 Cost of Sales and Services

- Cost of sales and services amounted to Baht 142.5 million, an increase of Baht 7.8 million, or 5.8%, in line with the increase in sales revenue.

3.3 Gross Profit

- The Company recorded gross profit of Baht 11.5 million, an increase of Baht 5.5 million, or 91.2%, compared with the same quarter of 2025. Gross profit margin improved from 4.3% to 7.5%, reflecting enhanced efficiency in production cost management.
- For the third quarter of 2026, the Company continued to report an operating loss of Baht 4.0 million. However, the operating loss narrowed from Baht 7.5 million in the same quarter of 2025, representing an improvement of Baht 3.5 million. The improvement was primarily attributable to more effective control of production costs.
-There were no material changes in other items.

4. Summary of Financial Position

4.1 Asset Composition and Quality

As of September 30, 2026, the Company had total assets of Baht 783.3 million, an increase of Baht 1.4 million, or 0.2%, compared with Baht 781.9 million as of December 31, 2025. The key components, quality, and significant changes in the Company's assets are summarized as follows:

Summary of Financial Position **Unit: Baht million**

Assets	As of September 30, 2026	As of December 31, 2025	Increase (Decrease)	%
Cash and cash equivalents	70.9	111.0	(40.2)	(36.2)
Trade and other current receivables	72.5	73.4	(0.9)	(1.2)
Inventories	31.3	34.7	(3.4)	(9.8)
Other current financial assets	239.8	229.2	10.6	4.6
Other non-current financial assets	115.9	116.0	(0.1)	(0.1)
Investment in associate	6.8	7.1	(0.3)	(4.2)
Property, plant and equipment	190.7	177.1	13.6	7.7
Others	55.5	33.4	22.0	65.9
Total Assets	783.3	781.9	1.4	0.2

- Cash and cash equivalents decreased by Baht 40.2 million, mainly due to net cash generated from operating activities of Baht 8.4 million and net cash provided by investing activities of Baht 15.2 million, partially offset by net cash used in financing activities of Baht 63.8 million.

- Trade and other current receivables decreased by Baht 0.9 million compared with the balance as of December 31, 2025, mainly due to a reduction in outstanding receivables following customer billing and collection. Most trade receivables were not yet due for payment, with an average collection period of approximately 30–60 days. Such collection period remains within the Company's normal credit terms granted to customers. In addition, management has assessed the allowance for expected credit losses and considers the provision to be adequate and appropriate under the current circumstances.

- Inventories decreased by Baht 3.4 million, primarily due to a reduction in work-in-process and finished goods. In addition, management has appropriately assessed and recognized write-downs of inventories to net realizable value where necessary.

- Other current financial assets increased by Baht 10.6 million, primarily due to an increase in seven-month fixed deposits with financial institutions.

- Other non-current financial assets decreased slightly, mainly due to changes in the fair value of investments in equity instruments of non-listed companies designated to be measured at fair value through other comprehensive income (FVOCI).

- Investment in associate decreased slightly, mainly due to changes in the carrying amount of the investment accounted for under the equity method.

- Property, plant and equipment increased by Baht 13.6 million, mainly due to purchases of machinery and related equipment.

- Other assets comprise advance payments for goods, financial assets pledged as collateral, and withholding tax receivables.

4.2 Liabilities

-Total liabilities decreased by Baht 2.3 million compared with the balance as of December 31, 2025, mainly due to a decrease in trade and other current payables.

-The Company's debt-to-equity ratio stood at 0.26 times, reflecting a strong capital structure and a manageable level of leverage.

4.3 Shareholders' Equity

As of September 30, 2026, the Company's total shareholders' equity amounted to Baht 623.7 million, an increase of Baht 3.7 million, or 0.6%, from Baht 620.0 million as of December 31, 2025. The increase was mainly attributable to a Baht 3.8 million increase in unappropriated retained earnings, from Baht 67.5 million to Baht 71.3 million. This increase was attributable to the Company's operating results during the period. Meanwhile, registered capital, issued and paid-up share capital, share premium, and legal reserve remained unchanged. Other components of shareholders' equity decreased slightly. As a result, total shareholders' equity increased compared with the balance as of December 31, 2025.

Financial Ratios

Item	Unit	September 30, 2026	December 31,2025
LIQUIDITY RATIO			
Current Ratio	Times	4.38	4.39
Return on Equity / Assets			
Return on Equity (ROE)	%	10.66	10.24
Return on Assets (ROA)	%	8.47	8.16

- As of September 30, 2026, the Company's current ratio stood at 4.38 times, broadly in line with 4.39 times as of December 31, 2025, reflecting the Company's continued strong liquidity position and ability to meet its short-term obligations.

-In terms of profitability, the Company's return on equity (ROE) increased to 10.66% from 10.24% as of December 31, 2025, while its return on assets (ROA) increased to 8.47% from 8.16%. These improvements indicate that the Company was able to utilize shareholders' equity and assets more efficiently to generate returns.

4.4 Statement of Cash Flows and Liquidity

As of September 30, 2026, the Company's sources and uses of funds were as follows:

Unit: Baht million

Cash Flow Items	Q3/2026	Q3/2025	Change
Net cash provided by (used in) operating activities	8.4	(0.1)	Increased by 8.5
Net cash provided by investing activities	15.2	25.4	Decreased by 10.2
Net cash used in financing activities	(63.8)	(50.0)	Cash outflow increased by 13.8
Net decrease in cash and cash equivalents	(40.2)	(24.7)	Cash decrease by 15.5
Cash and cash equivalents at the beginning of the period	111.1	114.2	Decreased by 3.1
Cash and cash equivalents at the end of the period	70.9	89.6	Decreased by 18.7

- Cash flow from operating activities increased, primarily due to higher operating profit before changes in operating assets and liabilities compared with Q3/2025.

- Cash flow from investing activities decreased, primarily due to investments in machinery and equipment.

- The increase in net cash used in financing activities was mainly attributable to higher dividend payments.

5. Factors That May Affect Future Operations or Growth

Factors that may affect the Company's future operating performance and growth include economic conditions and trends in the automotive industry, changes in customer orders, fluctuations in raw material and energy prices, technological and product developments, as well as the Company's effectiveness in managing costs, production capacity, quality, and product delivery.

The Company remains focused on enhancing operational efficiency, maintaining effective cost control, and developing new business opportunities to support sustainable future growth.

Please be informed accordingly.

Sincerely yours,

- Signature -

(Mr. Wittawat Nicharoj)

Managing Director