UNION PIONEER PLC

บริษัท ยูเนี่ยนไพโอเนียร์ จำกัด (มหาชน)

Management Discussion and Analysis (MD&A)

The third quarter ended 30 September 2026



- TRANSLATION -

6th November 2026

Subject: Management Discussion and Analysis (MD&A) for the third quarter of 2026

To: Managing Director of the Stock Exchange of Thailand

Union Pioneer Public Company Limited submits the Management Discussion and Analysis (MD&A) for the third quarter of 2026, with the following details:

Performance

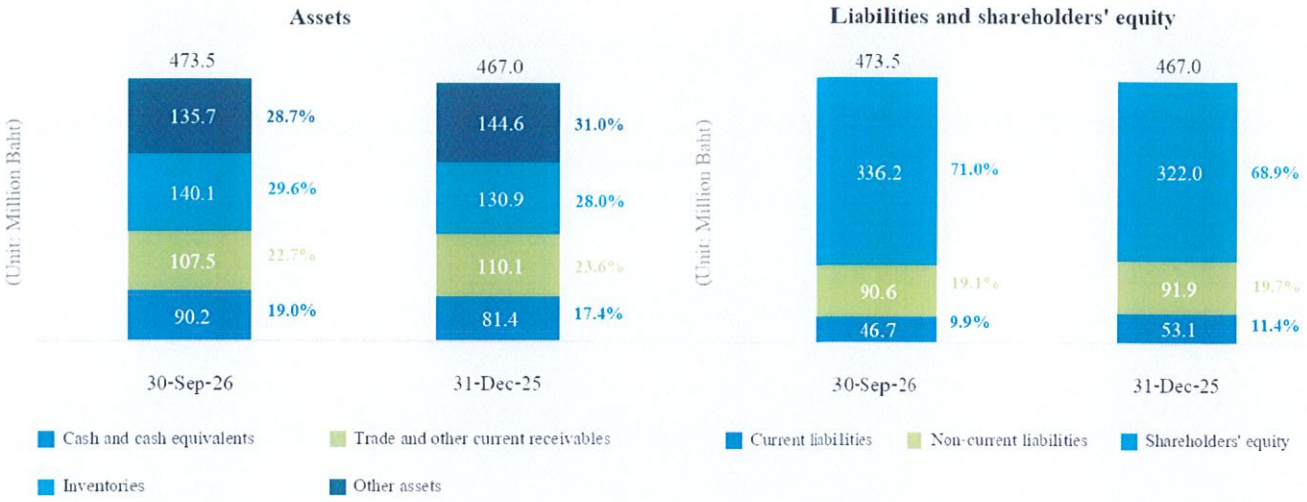
(Unit: Million Baht)

Statement of comprehensive income	For the three-month period ended 30 September 2026	2025	Increase (Decrease)	
Sales income	131.4	121.1	10.3	8.5%
Cost of sales	(110.6)	(109.7)	0.9	0.8%
Gross profit margin	**20.8**	**11.4**	**9.4**	**82.5%**
	15.8%	**9.4%**		
Profit (loss) from operating activities	8.3	(3.1)	11.4	-367.7%
Profit (loss) for the period	**6.4**	**(0.1)**	**6.5**	**-6500.0%**

1. Sales revenue in Q3/2026 amounted to Baht 131.4 million, an increase of Baht 10.3 million (8.5%), compared to the same period of the previous year. This growth was primarily driven by an increase in export sales revenue from elastic products for the textile and apparel, medical equipment, and fitness equipment industries, supported by a recovery in customer orders from the U.S. market.
2. Cost of sales in Q3/2026 amounted to Baht 110.6 million, a increase of Baht 0.9 million (0.8%), compared to the same period of the previous year. This increase is attributable to higher sales volume and the corresponding rise in rubber costs.
3. The increase in sales revenue, coupled with stringent control over production costs and selling and distribution expenses, particularly raw material and direct labor costs, resulted in an improvement in the gross profit margin from 9.4% to 15.8% compared to the same quarter of the previous year.

   There were no significant changes in other operating items.

Financial Position



As of 30 September 2026, the Company had total assets of Baht 473.5 million, an increase of 1.4% compared to 31 December 2025, with key items as follows:

1. Cash and cash equivalents amounted to Baht 90.2 million, an increase of Baht 8.8 million (10.8%), driven by improved net cash flow from operating activities of Baht 16.5 million, net of cash used in investing and financing activities of approximately Baht 7.7 million.
2. Land, buildings and equipment amounted to Baht 64.3 million, a decrease of Baht 7.9 million (11.0%), due to depreciation of approximately Baht 12.0 million recognized during the period, partly offset by an increase in machinery and equipment investment of Baht 4.0 million.

The Company has no interest-bearing debt from financial institutions; most of its liabilities consist of trade payables and lease liabilities, reflecting a safe financial structure free of interest-rate risk. There were no significant changes in liabilities or shareholders' equity.

Key Financial Ratios

	Q3/2026	Q3/2025
Profitability		
Gross Profit Margin (%)	15.8%	9.4%
EBITDA (%)	9.7%	1.8%
Net Profit Margin (%)	4.7%	-0.1%
	30-Sep-26	**30-Sep-25**
Liquidity		
Current Ratio (Times)	7.6	6.5
Returns (Assets/Equity)		
Return on Equity (ROE) (%)	7.8%	-0.1%
Return on Assets (ROA) (%)	5.4%	-0.1%

1. Profitability: Improved significantly, mainly driven by the increase in gross profit margin to 15.8% (from 9.4% in Q3/2025), resulting in EBITDA margin (9.7%) and net profit margin (4.7%) returning to positive.
2. Liquidity: The Company's current ratio stood at 7.6 times, representing a significant increase from the previous year. This level remains well above the industry average (approximately 1–2 times).
3. Returns: The Company's return on assets (ROA) and return on equity (ROE) remained positive and increased steadily throughout the year, in line with its return to profitability. This reflects improved efficiency in utilizing its assets and shareholders' equity to generate higher returns.

Overall, in Q3/2026, the Company demonstrated a clear recovery in its operating performance, driven by its ability to increase sales while effectively managing its cost of sales. This resulted in improvements in both gross profit margin and net profit, while maintaining a strong financial position, high liquidity, and low debt levels. Looking ahead to the Q4/2026, the Company will continue to focus on closely managing risks arising from fluctuations in raw material prices and foreign exchange rates.

We hereby submit this report for your acknowledgement and kindly request that this information be reported to the members of the Stock Exchange of Thailand and all interested parties.

Yours faithfully,

- Signature -

(Mr. Pornchai Phulsuksombati)

Chief Executive Officer