Date November 12, 2026

Subject Management Discussion and Analysis for the operating results for the 3rd Quarter of 2026

Attention The President and Director

The Stock Exchange of Thailand

PP Prime Public Company Limited would like to submit the Management Discussion and Analysis for the performance of the 3rd Quarter of 2026, with details as follows:

Executive Summary

PP Prime Public Company Limited and its subsidiary Statement of comprehensive income (Unit: Million Baht)	Q3'2026		Q3'2026		Change increase (decrease)	Percentage
Revenue from sales	88.97	100%	135.03	100%	(46.06)	(34%)
Cost of sales	(88.06)	(99%)	(133.23)	(99%)	(45.17)	(34%)
Gross profit (loss)	0.91	1%	1.80	1%	(0.89)	(49%)
Other income	0.67	1%	4.35	3%	(3.68)	(85%)
Selling expenses	-	-	(1.99)	(1%)	(1.99)	(100%)
Administrative expenses	(17.56)	(20%)	(19.90)	(15%)	(2.34)	(12%)
Expected credit gain	1.81	2%	(2.91)	(2%)	4.72	162%
Gain on sale of property, plant and equipment	-	-	0.35	0%	(0.35)	(100%)
Other gain (loss), net	27.82	31%	(35.76)	(26%)	63.58	178%
Finance costs	(1.49)	-2%	(1.28)	-1%	0.21	16%
Profit (loss) before income tax	12.16	14%	(55.34)	(41%)	67.50	122%
Income (expense) tax	(0.10)	(0%)	(0.10)	(0%)	-	-
Profit (loss) for the period	12.06	14%	(55.44)	(41%)	67.50	122%

In Q3/2026, PP Prime Public Company Limited ("the Company") and its subsidiaries recorded total revenue from sales of THB 88.97 million, comprising revenue from the aquatic animal feed business and the pet food business of THB 2.34 million and THB 86.63 million, respectively. These revenues represented 3% and 97% of total sales revenue, respectively. Total revenue from sales decreased by 34% compared to the previous year.

The Company and its subsidiaries recorded a net profit of THB 12.06 million, mainly attributable to foreign exchange gains from overseas subsidiaries.

Management Discussion and Analysis of Financial Position and Operating Results for Q3/2026

1. Operating performance

1.1 Revenue from Sales

The majority of sales revenue came from the pet food business, totaling THB 86.63 million, accounting for 97% of sales revenue. Pet food sales increased by approximately 10% compared to the prior year. The pet food business continues to gain popularity due to the growing population of pet owners, resulting in higher order volumes.

1.2 Cost of Sales

Total cost of sales was THB 88.06 million, a decrease of 34% compared to the prior year, aligning with the overall sales structure. Raw material costs constituted the main portion, accounting for 75–80% of total cost of sales. The cost structure proportion remained consistent with the previous quarter.

1.3 Selling and administrative expenses

Administrative expenses amounted to THB 17.56 million, representing a decrease of THB 4.33 million or 19.78% compared to the previous year, as a result of ongoing policy controls over unnecessary expenses.

1.4 Expected credit gain (loss)

Expected credit gains equaled THB 1.88 million, an increase in gain of THB 4.72 million or 162% compared to the prior year. This improvement resulted from reversals of expected credit losses previously allowance-reserved against high-risk debtors.

1.5 Other income (loss) - Net

Net other gains totaled THB 27.82 million, an increase of THB 63.58 million or 178% compared to the previous year. This was primarily driven by foreign exchange gains from overseas operations, where the Group recorded FX gains of THB 27.8 million in Q3/2026, an increase of THB 60.88 million from the same quarter last year.

2. Financial position

2.1 Asset

As of September 30, 2026, total assets of the Company and its subsidiaries stood at THB 669.78 million, a decrease of THB 130.95 million from December 31, 2025. This was mainly due to a THB 99.91 million decrease in trade and other receivables as debtors gradually made repayments during Q2–Q3/2026, as well as a THB 11.94 million reduction in property, plant, and equipment due to annual depreciation charges.

2.2 Liabilities

As of September 30, 2026, total liabilities were THB 328.86 million, decreasing by THB 111.99 million or 25% from December 31, 2025. This decrease was primarily driven by trade and other payables settlements amounting to THB 98.80 million.

The debt-to-equity ratio as of September 30, 2026, and December 31, 2025, was 0.96 times and 1.22 times, respectively.

2.3 Shareholders' Equity

As of September 30, 2026, total shareholders' equity amounted to THB 340.92 million, a decrease of THB 18.96 million or 5% from December 31, 2025, largely caused by a THB 54.92 million decrease in other components of equity.

3. Liquidity

Net cash used in operating activities amounted to THB 8.37 million; net cash used in investing activities was THB 6.00 million; and net cash provided by financing activities was THB 13.80 million. Consequently, as of September 30, 2026, cash and cash equivalents totaled THB 1.64 million.

4. Litigation

Litigation Against Long-term Loan Receivable

On October 9, 2025, the Company filed a lawsuit against a debtor and their guarantors (the defendants) due to a default on principal and interest payments, with the total amount in dispute (capital) amounting to THB 74,218,727.

On May 5, 2026, the Civil Court scheduled a hearing for both parties to discuss mediation and review the defendants' debt repayment plan. During the previous hearing, the defendants waived all points of defense, admitting their full liability for the debt as claimed by the Company without further contest. Consequently, the Company's representatives proposed the following repayment options, prioritizing the Company's best interests:

Plan 1 (Short-term / 3-year plan): Focuses on full repayment within 36 installments to minimize long-term accumulated interest.

Plan 2 (Long-term / 5-year plan): Extends the repayment period to 60 installments to improve the defendants' monthly liquidity for debt servicing.

A critical condition stipulated by the Company is that the defendants must deposit cash or assets valued at no less than 10% of the total debt (approximately THB 7.4 million) with the Court as a security deposit. This is required to demonstrate good faith and mitigate damages from the default prior to signing a settlement agreement. Furthermore, the Company requested the Court to render a Judgment by Consent, with a clause stating that should the defendants default on any single installment, the Company reserves the immediate right to commence legal execution.

On 10 August 2026, the Civil Court ruled in favor of the Company, ordering the defendants to pay principal and accrued interest totaling THB 74.22 million up to the filing date, plus interest at 7.5% per annum from the filing date (9 October 2025) until full payment is settled.

Leasehold Rights Dispute at People Park

On August 15, 2025, the Company was named as a defendant in a civil lawsuit regarding a dispute over building leasehold rights (Civil Case Black No. Por. 708/2568 and Red No. Por. 182/2569). The plaintiff, the new leasehold rights holder, filed a lawsuit against the Company as the second defendant, seeking the revocation of the lease agreement the Company had entered into with its counterparty. Furthermore, the plaintiff requested the return of the leased area and claimed damages for the loss of benefits from rental and service income that the Company had received from sub-lessees prior to the filing date.

On February 26, 2026, the Court of First Instance rendered a judgment ordering the Company to pay damages for loss of benefits to the plaintiff in the amount of THB 11.89 million, plus interest at the rate of 5% per annum on the principal amount, effective from the day after the filing date (August 15, 2025) until the full amount is paid. Additionally, the Company is ordered to pay for loss of benefits at a rate of THB 300,000 per month, calculated from the filing date until the disputed area is returned to the plaintiff.

On June 25, 2026, the Court of First Instance issued an order granting the Company permission to enter into a security agreement for a stay of execution in accordance with the judgment of the Court of First Instance, whereby the Company placed assets as collateral with the Court of First Instance until the Court orders otherwise.

The Company has proceeded with the handover and return of the space since November 6, 2026, during the appeal proceedings (currently undergoing a joint inspection of the space's condition, which is expected to be completed within one month). Nevertheless, the return of the said space does not constitute a waiver of the Company's grounds for appeal and directly yields a positive impact by immediately terminating the monthly compensation obligation for loss of benefits (THB 300,000 per month).

5. Other

Advanced payment for construction of geothermal power plants

The advanced payment is a deposit for land to build geothermal power plants. Sumo Power Company Limited, a subsidiary of the Company, paid a deposit of JPY 103 million for land to construct two power plants to two private companies.

Then, Sumo Power Company Limited entered a land transfer agreement for a plot of land located in Beppu, Oita, Japan with the first private company. The first private company transferred the plot of land to the second private company. However, the first private company was obligated to transfer this plot of land to Sumo Power Company Limited. The total asset transfer price was JPY 300 million. Sumo Power Company Limited has already paid the private company JPY 50 million.

On 26 May 2020, Sumo Power Company Limited took legal action against the second company regarding the transfer of ownership of the land and a claim for JPY 1 million in damages from the first company.

At the Company's Board of Directors Meeting No.9/2022 held on 27 July 2022, the Board of Directors resolved not to initiate legal proceedings to recover a deposit of JPY 53 million from another private company. In reaching the decision, the Board primarily considered the opinion of Japanese legal counsel, which indicated that the claim to recover the deposit may be dismissed by the court.

On 5 September 2022, the Company assigned the lawyer to withdraw the case and on 14 September 2022, the court judged that the Company's claims were dismissed. Therefore, the case is finalised and completed.

On 7 April 2026, the Company received a notification from a private company regarding the distribution of assets in relation to the Company's claim for a deposit of JPY 50 million paid for the construction of the aforementioned power plants. The private company will return the deposit through the asset distribution in the total amount of JPY 65,695, which represents the final asset distribution. The Company received the deposit as the aforementioned on 30 June 2026. Accordingly, all the matters relating to such advance payment have been concluded.

Advanced payment for hot spring rights

The advanced payment is a deposit for the royalties from four units of hot spring from the construction of geothermal power plants project, worth JPY 120 million. S-Power Company Limited and Otomeyama Energy Co., Ltd., the subsidiaries, paid the deposit in June 2016.

Yours sincerely,

PP Prime Public Company Limited

(Mr. Wiboon Rasmeepaisarn)

Director / Chief Executive Officer

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