Asiametal

AMC2026-11-001

Date 12 November 2026

Subject: **Management Discussion and Analysis (MD&A) for the operating results for the third quarter ended September 30, 2026**

To: **President, The Stock Exchange of Thailand**

Operating Performance Overview

For the third quarter ended September 30, 2026, Asia Metal Public Company Limited reported a net profit of THB 12.03 million, an increase of THB 18.04 million compared to Q3/2025, which recorded a net loss of THB 6.01 million. The improvement was driven primarily by higher gross profit of THB 66.42 million, with the gross profit margin improving to 6.86% from 1.08% in Q3/2025, partly offset by the share of loss from associates of THB 12.63 million, compared with a share of profit of THB 14.84 million in Q3/2025.

For the nine-month period ended September 30, 2026, the Company reported a net profit of THB 131.44 million, an increase of THB 97.70 million, or 289.59% from a net profit of THB 33.74 million in the same period of 2025.

Statement of Comprehensive Income – Consolidated for the three-month period ended September 30, 2026	30 Sep 2026 Million Baht	30 Sep 2025 Million Baht	Change Million Baht	Change %
Revenue				
Revenue from sale of goods and services	1,184.40	1,375.67	(191.27)	(13.90%)
Gain on exchange rate, net	-	9.58	(9.58)	(100.00%)
Other income	7.44	11.66	(4.22)	(36.23%)
Total Income	**1,191.84**	**1,396.91**	**(205.07)**	**(14.68%)**
Expenses				
Cost of sales of goods and services	1,103.17	1,360.86	(257.69)	(18.94%)
Distribution costs	19.86	23.52	(3.66)	(15.54%)
Administrative expenses	29.05	23.06	5.99	25.96%
Loss on exchange rate, net	0.16	-	0.16	-
Total Expenses	**1,152.24**	**1,407.44**	**(255.20)**	**(18.13%)**
Operating Result				
Profit (Loss) from operating activities	**39.60**	**(10.53)**	**50.13**	**476.18%**
Finance costs	7.77	11.91	(4.14)	(34.76%)
Share of profit (loss) of associates	(12.63)	14.84	(27.47)	(185.12%)
Profit (Loss) before income tax	**19.20**	**(7.60)**	**26.80**	**352.68%**
Income tax expense (income)	7.17	(1.59)	8.76	550.75%
Profit (Loss) for the period	**12.03**	**(6.01)**	**18.04**	**300.27%**

Revenue from Operations and Other Income

- Revenue from sale of goods and services was THB 1,184.40 million, a decrease of THB 191.27 million, or 13.90% compared to Q3/2025. Sales volume decreased by 23.01%, while the average selling price per unit rose by 13.57%.
- There was no net foreign exchange gain in Q3/2026, compared with a net foreign exchange gain of THB 9.58 million in Q3/2025.
- Other income was THB 7.44 million, a decrease of THB 4.22 million, or 36.23%.

Costs and Expenses

- Cost of sales of goods and services was THB 1,103.17 million, a decrease of THB 257.69 million, or 18.94%, a faster decline than revenue, resulting in an improvement in gross profit margin from 1.08% in Q3/2025 to 6.86%.
- Distribution costs were THB 19.86 million, a decrease of THB 3.66 million, or 15.54%, in line with lower sales volumes.
- Administrative expenses were THB 29.05 million, an increase of THB 5.99 million, or 25.96%.
- Net foreign exchange loss was THB 0.16 million, reflecting movements in the Thai baht, with no such loss in Q3/2025.

Finance Costs, Share of Results of Associates and Income Tax

- Finance costs were THB 7.77 million, a decrease of THB 4.14 million, or 34.76%.
- The Company recognised a share of loss from associates under the equity method of THB 12.63 million, compared with a share of profit of THB 14.84 million in Q3/2025.
- Income tax expense was THB 7.17 million, compared with an income tax benefit of THB 1.59 million in Q3/2025.

Statement of Financial Position – Consolidated as of September 30, 2026	30 Sep 2026 Million Baht	31 Dec 2025 Million Baht	Change Million Baht	Change %
Assets				
Current assets	2,517.98	2,555.70	(37.72)	(1.48%)
Non-current assets	2,562.69	2,615.24	(52.55)	(2.01%)
Total Assets	**5,080.66**	**5,170.94**	**(90.28)**	**(1.75%)**
Liabilities				
Current liabilities	1,603.77	1,791.67	(187.90)	(10.49%)
Non-current liabilities	109.32	104.72	4.60	4.39%
Total Liabilities	**1,713.09**	**1,896.39**	**(183.30)**	**(9.67%)**
Equity				
Total equity	3,367.58	3,274.54	93.04	2.84%
Total Liabilities and Equity	**5,080.66**	**5,170.94**	**(90.28)**	**(1.75%)**

Financial Position Overview

As of September 30, 2026, total assets stood at THB 5,080.66 million, a decrease of THB 90.28 million, or 1.75% from December 31, 2025. Key highlights are as follows:

- Current assets were THB 2,517.98 million, a decrease of THB 37.72 million, or 1.48%. Trade and other receivables decreased by THB 299.20 million, inventories by THB 94.34 million, cash and cash equivalents by THB 55.10 million and other items by a net THB 1.12 million, while advance payments for goods increased by THB 412.04 million.
- Non-current assets were THB 2,562.69 million, a decrease of THB 52.55 million, or 2.01%. Investments in associates decreased by THB 24.55 million, property, plant and equipment by THB 21.36 million, right-of-use assets by THB 5.21 million and other items by a net THB 1.43 million.
- Total liabilities were THB 1,713.09 million, a decrease of THB 183.30 million, or 9.67% from year-end 2025.
- Current liabilities were THB 1,603.77 million, a decrease of THB 187.90 million, or 10.49%. Short-term borrowings from financial institutions decreased by THB 152.22 million, trade and other payables by

THB 38.92 million and other items by a net THB 4.46 million, while corporate income tax payable increased by THB 7.70 million.

- Non-current liabilities were THB 109.32 million, an increase of THB 4.60 million, or 4.39%. Deferred tax liabilities increased by THB 2.18 million, provisions for employee benefits by THB 1.52 million and other items by a net THB 0.90 million.
- Shareholders' equity was THB 3,367.58 million, an increase of THB 93.04 million, or 2.84%, reflecting net profit for the nine-month period of THB 131.44 million, net of dividends paid of THB 38.40 million.

Outlook and Key Factors to Monitor

In 2026, the Thai steel industry continued to face intense competition from low-priced imported steel, particularly from China, which put pressure on both the selling prices and the margins of domestic producers. At the same time, geopolitical conflicts increased the volatility of raw material and freight costs, requiring operators to manage both costs and markets at the same time.

For the Company, the factor with a direct impact was the war in the Middle East, which caused severe damage to the plant of the Company's main raw material producer and left it unable to deliver raw materials as scheduled. This disrupted the supply of raw materials to the Company, which had to suspend production for a period of approximately 3–4 months.

As a result, the Company has had to source raw materials from new suppliers, which requires time for quality testing in production to ensure that products continue to meet standards and customer specifications. The delay of approximately 3–4 months in raw material deliveries has postponed production and affected the Company's operating results in the third and fourth quarters of 2026. In addition, raw materials from the new sources carry higher costs, while the Company's selling prices are referenced to market prices and cannot be raised fully in line with costs. The Company's operating results for the fourth quarter of 2026 may therefore be affected to the extent of a loss.

Management considers this impact to be the result of a transition in raw material sources rather than a decline in demand for the Company's products. The Company has accelerated the diversification of its raw material sources to reduce reliance on any single supplier, adjusted its purchasing and production plans to align with the delivery cycles of the new sources, and maintained product quality at its existing standards. The Company expects that, once raw materials arrive consistently and its machines return to normal operation, its operating results will recover between late in the first quarter and early in the second quarter of 2027. Management will continue to closely monitor the situation in the Middle East, raw material prices, freight rates and exchange rates.

On the marketing side, the Company continues to expand its galvanised steel (GI) market, both through exports to Malaysia and by increasing the proportion of value-added products, a market that still has significant growth potential, such as purlins, solar structures, wireways, trusses and roof battens. This will help the Company reduce the impact of price competition in the general product market.

Please be informed accordingly.

Sincerely yours,

Mr. Chusak Yongvongphaiboon
Managing Director
Asia Metal Public Company Limited