KIATTANA TRANSPORT

Management Discussion and Analysis (MD&A)

For the Nine-Month Period Ended September 30, 2026

Kiattana Transport Public Company Limited (the "Company") would like to provide an overview of the operating performance of the Company and its subsidiaries for the third quarter and nine-month period ended September 30, 2026

KEY FINANCIAL HIGHLIGHT

	9M'25 THBmm	9M'26 THBmm	Change YoY	Q3'25 THBmm	Q2'26 THBmm	Q3'26 THBmm	Change YoY	Change QoQ
Revenue from Sales and Services	573.3	523.0	-8.8%	196.2	184.0	182.7	-6.9%	-0.7%
Total Revenue	**598.2**	**535.7**	**-10.4%**	**204.0**	**187.9**	**187.8**	**-8.0%**	**-0.1%**
Gross Profit	127.1	118.1	-7.1%	32.6	38.5	43.1	32.2%	12.0%
Earnings Before Interest and Taxes	50.3	52.2	3.7%	4.3	13.9	21.5	402.7%	54.3%
Net Profit	**41.3**	**39.9**	**-3.3%**	**5.1**	**10.1**	**16.9**	**234.4%**	**67.8%**
Gross Profit Margin (%)	22.2%	22.6%		16.6%	20.9%	23.6%		
EBIT Margin (%)	8.4%	9.7%		2.1%	7.4%	11.4%		
Net Profit Margin (%)	6.9%	7.5%		2.5%	5.4%	9.0%		

Revenue from Sales and Services

The Company's revenue from sales and services decreased by 6.9% YoY in Q3'2026 and 8.8% YoY for 9M'2026, primarily due to a decline in chemical product sales resulting from a slowdown in production activities at customers' manufacturing facilities in the Lao People's Democratic Republic (Lao PDR). Consequently, the Company's overall operating revenue declined compared to the corresponding periods of the previous year.

Gross Profit and Gross Profit Margin

The Company's gross profit increased by 32.2% YoY in Q3'2026, with a gross profit margin of 23.6%. The improvement was primarily driven by higher profitability in the road transportation business, supported by revenue growth and more efficient cost management, particularly lower depreciation expenses for transportation vehicles and reduced fuel costs. However, the rail transportation and tourism businesses continued to face cost pressures. For 9M'2026, gross profit decreased by 7.1% YoY, mainly due to lower gross profit from the rail transportation business, resulting from higher operating costs associated with capacity expansion and additional investments in assets. Nevertheless, the Company's overall gross profit margin improved slightly from 22.2% to 22.6% compared to the corresponding period of the previous year.

Net Profit and Net Profit Margin

The Company's net profit increased by 234.4% YoY in Q3'2026, primarily driven by higher gross profit and a significant reduction in selling and administrative expenses, particularly expenses related to a value-added tax (VAT) dispute recognized in the corresponding period of the previous year, as well as lower expected credit loss (ECL) expenses. As a result, the Company's net profit margin increased to 9.0% in Q3'2026.

For 9M'2026, net profit decreased by 3.3% YoY, mainly due to lower gross profit resulting from revenue declines in certain business segments, coupled with higher operating costs in the rail transportation and tourism businesses. Nevertheless, the significant reduction in selling and administrative expenses helped mitigate the impact of lower gross profit. Consequently, net profit declined at a slower rate than total revenue, while the Company's net profit margin improved from 6.9% to 7.5% compared to the corresponding period of the previous year.

REVENUE STRUCTURE

REVENUE	9M'25 THBmm	9M'26 THBmm	Change YoY	Q3'25 THBmm	Q2'26 THBmm	Q3'26 THBmm	Change YoY	Change QoQ
1. Road Transportation Services	371.3	363.6	-2.1%	118.4	122.6	126.3	6.7%	3.0%
2. Rail Transportation Services	61.2	73.4	19.8%	21.3	26.8	28.5	34.2%	6.5%
3. Other Services /1	4.9	2.0	-59.9%	1.6	1.1	0.3	-78.9%	-68.6%
Transportation Technology Services	22.4	21.0	-6.2%	7.3	7.0	7.0	-4.0%	-0.2%
Tourism Services	7.7	7.1	-8.3%	1.3	1.3	1.6	28.5%	26.3%
Hire Purchase Services	3.2	2.0	-37.6%	1.0	0.7	0.5	-50.3%	-27.6%
Revenue from Other Services	38.3	32.1	-16.2%	11.2	10.1	9.5	-15.6%	-6.2%
4. Revenue from Sales	102.5	54.0	-47.3%	45.4	24.6	18.4	-59.4%	-24.9%
Total Operating Revenue	**573.3**	**523.0**	**-8.8%**	**196.2**	**184.0**	**182.7**	**-6.9%**	**-0.7%**
Other Income /2	24.8	12.6	-49.2%	7.8	3.9	5.1	-35.3%	29.2%
Total Revenue	**598.2**	**535.7**	**-10.4%**	**204.0**	**187.9**	**187.8**	**-8.0%**	**-0.1%**

Note:

/1 Other service revenue comprises revenue from vehicle and tank rentals, as well as transportation documentation and customs clearance services.

/2 Other income comprises interest income, foreign exchange gains, gains from the sale of short-term investments, gains from the disposal of fixed assets, and proceeds from the sale of scrap materials and consumables.

Revenue from Road Transportation Services

The Company's revenue from road transportation services increased by 6.7% YoY in Q3'2026, primarily driven by higher transportation volumes in the energy sector. However, revenue for 9M'2026 declined by 2.1% YoY, mainly due to lower demand for general cargo transportation and reduced mining-related shipments following a production slowdown at customers' facilities in the Lao People's Democratic Republic (Lao PDR). Despite growth in the energy sector, the additional revenue was insufficient to offset the declines in these segments.

Revenue from Rail Transportation Services

The Company's revenue from rail transportation services increased by 34.2% YoY in Q3'2026 and 19.8% YoY for 9M'2026, primarily driven by higher transportation volumes under a new service contract, which increased daily transportation capacity to 700 tons, representing a 34.6% increase from the previous contract. This expansion contributed to higher shipment volumes and revenue growth compared to the corresponding periods of the previous year.

Revenue from Other Services decreased by 15.6% YoY in Q3'2026 and 16.2% YoY for 9M'2026.

- **Revenue from Transportation Technology Services** decreased by 4.0% YoY in Q3'2026 and 6.2% YoY for 9M'2026, primarily due to the non-renewal of equipment rental contracts by certain customers upon expiration. As a result, service utilization declined by 2.8% YoY for 9M'2026.
- **Revenue from Tourism Yacht Charter Services** increased by 28.5% YoY in Q3'2026, primarily driven by enhanced service capacity following the acquisition of the new Princess 78 yacht in Q2'2026. This investment strengthened the Company's ability to meet customer demand and contributed to higher revenue compared to the same period of the previous year. However, revenue for 9M'2026 declined by 8.3% YoY, mainly due to a decrease in the overall number of charter trips amid global economic uncertainty and ongoing conflicts in the Middle East, which affected international travel costs and tourist confidence. Seasonal tourism patterns and weather conditions in the Andaman Sea also weighed on demand for yacht charter services. Despite the revenue growth in Q3'2026, it was insufficient to offset the decline recorded during the first half of the year.
- **Revenue from Truck Hire Purchase Services** decreased by 50.3% YoY in Q3'2026 and 37.6% YoY for 9M'2026, primarily due to a contraction in the hire purchase loan portfolio. The Company maintained a cautious lending policy and slowed new loan disbursements amid economic uncertainty and rising credit quality risks, particularly concerns over non-performing loans (NPLs) in the lending sector. This approach aimed to mitigate credit risks and maintain the quality of the Company's loan portfolio. Consequently, the slowdown in new lending activities led to a gradual decline in the outstanding loan portfolio and interest income from the hire purchase business.

Revenue from Chemical Product Sales

The Company's revenue from chemical product sales decreased by 59.4% YoY in Q3'2026 and 47.3% YoY for 9M'2026, primarily due to lower sales volumes following a production slowdown at customers' manufacturing facilities in Lao PDR. This slowdown was driven by rising global raw material prices amid international conflicts, which disrupted supply chains and maritime transportation, leading to tighter market supply. Consequently, customers reduced their production activities and demand for chemical products used as raw materials in their manufacturing processes.

COST STRUCTURE

COST	9M'25 THBmm	9M'26 THBmm	Change YoY	Q3'25 THBmm	Q2'26 THBmm	Q3'26 THBmm	Change YoY	Change QoQ
1. Road Transportation Services	274.0	259.0	-5.5%	91.0	88.7	88.1	-3.2%	-0.6%
2. Rail Transportation Services	53.3	71.7	34.5%	19.6	26.1	26.9	37.1%	2.9%
3. Other Services	-	-	-	-	-	-	-	-
Transportation Technology Services	19.9	16.0	-19.9%	6.3	5.1	5.4	-13.2%	6.0%
Tourism Services	7.2	9.2	27.9%	1.8	3.0	3.4	91.2%	13.3%
Hire Purchase Services[1/]	-3.6	0.2	-	-0.2	0.2	-	-	-
Total Cost of Other Services	23.5	25.4	7.8%	7.8	8.3	8.8	13.3%	6.0%
4. Revenue from Sales	95.3	48.7	-48.9%	45.2	22.4	15.8	-65.1%	-29.6%
Total Cost of Sales and Services	**446.2**	**404.9**	-9.3%	**163.6**	**145.5**	**139.6**	-14.7%	-4.1%
Selling and Administrative Expenses	101.6	78.6	-22.7%	36.2	28.5	26.7	-26.2%	-6.3%
Total Expenses	**547.8**	**483.5**	-11.7%	**199.8**	**174.0**	**166.3**	-16.8%	-4.4%

Note:

[1/] Percentage changes in hire purchase service costs are not presented, as the costs in the comparative periods were negative or close to zero, which could result in percentage changes that do not accurately reflect the underlying cost movements.

Cost of Road Transportation Services

The Company's cost of road transportation services decreased by 3.2% YoY in Q3'2026 and 5.5% YoY for 9M'2026, primarily due to lower depreciation expenses, as certain transportation vehicles had been fully depreciated. This was accompanied by reduced driver-related expenses and lower fuel costs. Additionally, for 9M'2026, transportation distances to Lao PDR decreased in line with lower shipment volumes, further reducing related operating expenses. As a result, the overall cost of road transportation services declined compared to the corresponding periods of the previous year.

Cost of Rail Transportation Services

The Company's cost of rail transportation services increased by 37.1% YoY in Q3'2026, primarily driven by higher shipment volumes following the expansion of transportation capacity under a new service contract. This resulted in increased variable costs, particularly rail freight charges and fuel expenses, in line with higher transportation volumes. For 9M'2026, costs increased by 34.5% YoY, reflecting not only higher variable costs but also additional expenses associated with the relocation of rail freight operations from Ban Kradon Station to Bua Yai Station in Nakhon Ratchasima Province. These expenses included the preparation of vehicle parking areas and office facilities, repairs to transportation vehicles and freight containers, and additional expenses arising from investments in new assets. Consequently, the overall cost of rail transportation services increased compared to the corresponding periods of the previous year.

Cost of Other Services increased by 13.3% YoY in Q3'2026 and 7.8% YoY for 9M'2026.

- Cost of Transportation Technology Services decreased by 13.2% YoY in Q3'2026 and 19.9% YoY for 9M'2026, in line with the decline in revenue. The decrease was primarily attributable to lower licensing fees for Seeing Machines devices, reduced depreciation expenses for rental equipment, and lower repair and maintenance costs. These reductions contributed to an improvement in the gross profit margin of this business compared to the corresponding periods of the previous year.
- Cost of Tourism Yacht Charter Services increased by 91.2% YoY in Q3'2026 and 27.9% YoY for 9M'2026, primarily due to higher depreciation expenses following the acquisition of the new Princess 78 yacht in Q2'2026, aimed at supporting business expansion and enhancing service capacity.

Cost of Chemical Product Sales

The Company's cost of chemical product sales decreased by 65.1% YoY in Q3'2026 and 48.9% YoY for 9M'2026, in line with revenue declines of 59.4% YoY and 47.3% YoY, respectively. The decrease was primarily attributable to lower chemical sales volumes following a production slowdown at customers' facilities in Lao PDR. As a result, reduced demand for raw materials led to a corresponding decline in the cost of goods sold.

Selling and Administrative Expenses

The Company's selling and administrative expenses decreased by 26.2% YoY in Q3'2026 and 22.7% YoY for 9M'2026, primarily due to lower miscellaneous expenses. In the corresponding periods of the previous year, the Company recognized non-recurring expenses related to the recognition of liabilities arising from a value-added tax (VAT) dispute, resulting in a higher expense base. In addition, expected credit loss (ECL) expenses associated with the hire purchase business declined, reflecting a gradual reduction in the outstanding loan portfolio and improved repayment behavior among borrowers. These factors contributed to an overall reduction in selling and administrative expenses compared to the corresponding periods of the previous year.

STATEMENT OF FINANCIAL POSITION

	31 Dec 2025	30 Sep 2026	Change
Cash and Cash Equivalents	82.8	82.6	-0.3%
Total Assets	1,239.4	1,146.9	-7.5%
Total Liabilities	148.7	145.3	-2.3%
Total Equity	1,090.7	1,001.6	-8.2%
Equity Attributable to Owners of the Parent	1,083.9	994.9	-8.2%

KEY FINANCIAL RATIOS

	3Q'2025	4Q'2025	3Q'2026
Gross Profit Margin (%)[1]	16.62	18.10	23.60
Net Profit Margin (%)[2]	2.48	-3.92	9.00
Current Ratio (Times)[3]	6.27	6.27	5.30
Quick Ratio (Times)[4]	5.97	5.97	5.15
Debt-to-Equity Ratio (Times)[5]	0.14	0.14	0.15

Note:

1. Gross Profit Margin = Gross Profit / Revenue from Sales and Services
2. Net Profit Margin = Consolidated Net Profit / Revenue from Sales and Services
3. Current Ratio = Current Assets / Current Liabilities
4. Quick Ratio = (Current Assets – Inventories – Prepaid Expenses) / Current Liabilities
5. Debt-to-Equity Ratio = Total Liabilities / Total Equity

Assets

As of September 30, 2026, the Company's total assets amounted to THB 1,146.9 million, representing a decrease of 7.5% from the end of 2025. The decline was primarily attributable to a reduction of THB 109.9 million in current assets, mainly driven by decreases in other current financial assets of THB 73.8 million, trade and other current receivables of THB 20.4 million, and inventories of THB 14.6 million. Meanwhile, non-current assets increased by THB 17.3 million, mainly due to higher property, plant and equipment and right-of-use assets, reflecting additional investments to support the Company's rail transportation operations.

Liabilities

As of September 30, 2026, the Company's total liabilities amounted to THB 145.3 million, representing a decrease of 2.3% from the end of 2025. The decline was primarily attributable to the repayment of THB 18.1 million in short-term borrowings from financial institutions, partially offset by increases of THB 8.1 million in lease liabilities and THB 4.6 million in trade and other current payables. As a result, total liabilities decreased slightly compared to the end of the previous year.

Shareholders' Equity

As of September 30, 2026, the Company's total shareholders' equity amounted to THB 1,001.61 million, representing a decrease of 8.2% from the end of 2025. The decline was primarily attributable to dividend payments totaling THB 88.6 million and share repurchases amounting to THB 40.4 million, despite the Company recording a net profit of THB 39.9 million for 9M'2026.

The Company's debt-to-equity (D/E) ratio increased slightly from 0.14 times to 0.15 times, indicating that the Company maintained a capital structure with a low level of reliance on debt financing.

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