16 November 2026

To: President
The Stock Exchange of Thailand

Re: Management Discussion and Analysis (MD&A) for the Third Quarter of 2026 ended as at 30 September 2026

P.C.S. Machine Group Holding Public Company Limited ("the Company") would like to inform the Management Discussion and Analysis (MD&A) for the third quarter of 2026 ending at 30 September 2026 as follows;

Summary of Automotive Industry for the Third Quarter of 2026

The Automotive Industry Club, the Federation of Thai Industries, reported the information of overall automotive industry in the third quarter of 2026 as follows.

- Total production of cars was 362,818 units, increasing 3.3% compared to the same period of 2025 of 351,086 units and increasing 4.4% from the second quarter of 2026 of 347,461 units, driven by the expansion of electric and hybrid passenger car production, while the production of internal combustion engine (ICE) passenger cars continued to decline. In late September 2026, some car manufacturers temporarily suspended production due to flooding, which disrupted parts deliveries. The production mix comprised ICE vehicles at 71.4%, Hybrid Electric Vehicles (HEV) at 16.4%, Battery Electric Vehicles (BEV) at 10.4%, and others at 1.8%.
- The production of 1-ton pickup trucks (including pickup-based passenger vehicles) totaled 214,264 units, decreasing 1.4% compared to the same period of 2025 of 217,354 units, but increasing 1.6% from the second quarter of 2026 of 210,800 units. The production of 4-door pickup trucks (Double Cab) declined, while Pickup Passenger Vehicles (PPV) increased. Production for export was affected by lower exports to the Middle East due to the closure of the Strait of Hormuz, while production for the domestic market remained under pressure from the stringent lending criteria of financial institutions. The pickup truck production mix comprised ICE at 99.5% and BEV at 0.5%.
- The domestic car sales were 174,260 units, increasing 20.0% compared to the same period of 2025 of 145,275 units and increasing 5.7% from the second quarter of 2026 of 164,883 units, supported by the continued popularity of electric vehicles, with BEV passenger car sales more than doubling compared to the same period of last year, while sales of pickup trucks and PPVs continued to decline due to stringent lending criteria, weak purchasing power amid high costs of living and high household debt. The domestic sales mix comprised ICE at 40.3%, HEV at 24.0%, BEV at 33.3%, and others at 2.4%.
- The vehicle export was 233,865 units, increasing 1.8% compared to the same period of 2025 of 229,674 units and increasing 16.3% from the second quarter of 2026 of 201,150 units, driven by the growth in exports of Hybrid vehicles and PPVs, while exports to the Middle East continued to decline due to the conflict and the closure of the Strait of Hormuz. The export mix comprised ICE at 83.4%, HEV at 13.1%, BEV at 2.2%, and others at 1.3%.

Impact of the Automotive Industry on the Company's Business

The Company has prepared for the transition of the automotive industry by developing electric vehicle (EV) parts while maintaining its customer base in the internal combustion engine (ICE) vehicle segment. Although the growth of EVs in Thailand mainly affects passenger cars, the impact on the Company remains limited, as commercial vehicles, which are the Company's ICE market, still have a high proportion of production for export.

ESG Business Performance

The Company therefore continues to monitor industry trends while improving production efficiency through modern technology and the use of clean energy to enhance energy efficiency, reduce environmental impact, lower costs, raise product quality and strengthen long-term competitiveness. This is in line with the Company's sustainable business approach (ESG): on the environmental side, through the use of clean electricity from its 9.72 MWdc solar rooftop system, which accounted for 18.35% of total electricity consumption in the third quarter of 2026 (9-month 2026: 25.42%), reducing electricity costs by Baht 7.3 million (9-month 2026: Baht 25.1 million) and reducing carbon dioxide emissions by 884.72 tons of CO2 (9-month 2026: 3,071.92 tons of CO2); on the social side, through occupational safety and the development of employees' skills for advanced manufacturing technology; and on the governance side, through transparent business conduct and financial discipline, which automotive manufacturers increasingly emphasize throughout the supply chain.

Financial Overview for the Third Quarter of 2026 (Quarterly Comparison)

Descriptions	Q3-2026	Q2-2026	Q3-2025	Changes QoQ (%)	Changes YoY (%)	Ratio to Sales Q3-2026	Ratio to Sales Q2-2026	Ratio to Sales Q3-2025
Sales Revenue	647.5	543.9	758.3	19.0%	-14.6%			
Other Revenue	7.5	10.3	1.7	-27.2%	>100%			
Total Revenue	655.0	554.2	760.1	18.2%	-13.8%			
Cost of Goods Sold	512.6	455.6	573.2	12.5%	-10.6%	79.2%	83.8%	75.6%
Gross Profit	134.9	88.3	185.1	52.8%	-27.1%	20.8%	16.2%	24.4%
SG&A	47.0	48.1	52.0	-2.3%	-9.6%	7.3%	8.8%	6.9%
Net Profit	96.4	53.8	132.6	79.2%	-27.3%	14.7%	9.7%	17.4%

Financial Summary for the Statement of Comprehensive Income for the Third Quarter of 2026

The Company's sales revenue increased from the previous quarter, driven by the improving demand for products for ICE vehicles and pickup trucks in the domestic market. However, sales revenue remained lower than the same period of last year due to slowing orders for EV parts from a major customer. Nevertheless, the Company maintained its profitability and strong financial position.

- The Company recorded Sales Revenue of Baht 647.5 million, declining 14.6% from Baht 758.3 million in the third quarter of 2025, but increasing 19.0% from Baht 543.9 million in the second quarter of 2026, due to higher sales to domestic customers of ICE vehicle parts and pickup truck parts, while indirect export sales of EV parts to a major customer remained lower than the same period of last year.
- The ratio of cost of goods sold to sales revenue decreased to 79.2% from 83.8% in the second quarter of 2026, but increased from 75.6% in the third quarter of 2025. Higher sales from the previous quarter improved the absorption of fixed costs. However, the ratio remained higher than the same period of last year, mainly due to higher raw material prices resulting from the war in the Persian Gulf, which increased the ratio of raw material costs to revenue, while the Company was able to reduce personnel, maintenance and consumable expenses from last year. The Company has continuously monitored and strictly managed its costs.
- Gross Profit in the third quarter of 2026 was Baht 134.9 million with the gross profit margin of 20.8%, decreasing from that of the third quarter of 2025 of 24.4% at Baht 185.1 million, but increasing from the second quarter of 2026 of 16.2% at Baht 88.3 million, as a result of the increase of sales revenue and the lower ratio of cost of goods sold compared to the previous quarter.
- Selling and administrative expenses were Baht 47.0 million with the ratio to sales revenue of 7.3%, decreasing from Baht 52.0 million or 6.9% of sales revenue in the third quarter of 2025, and decreasing from Baht 48.1 million or 8.8% of sales revenue in the second quarter of 2026. The Company has continued its cost control measures in line with the domestic automotive industry conditions and to maintain its long-term competitiveness.
- Unrealized gain from foreign exchange for the third quarter of 2026 was Baht 2.5 million due to Thai Baht depreciation against Euro currency during the third quarter. However, in case of Euro depreciation (or Baht appreciation), it will result in an unrealized exchange loss.
- Net Profit for the third quarter of 2026 was Baht 96.4 million, with the net profit margin of 14.7% and the earnings per share of Baht 0.066, compared with the net profit in the third quarter of 2025 of Baht 132.6 million and the net profit of Baht 53.8 million in the second quarter of 2026. However, if excluding the unrealized gain or loss from foreign exchange, the Company shall record a net profit from normal operations of Baht 93.9 million in the third quarter of 2026, decreasing from Baht 134.9 million in the third quarter of 2025 but increasing from Baht 50.3 million in the second quarter of 2026. This reflects the recovery of the operating performance from the previous quarter, while the Company remained profitable and maintained strong liquidity amid the continued economic slowdown.

Financial Overview for the 9-month Period of 2026

Description	9-month 2026	9-month 2025	Changes YoY (%)	Ratio to Sales 9M-2026	Ratio to Sales 9M-2025
Sales Revenue	1,866.9	2,260.6	-17.4%		
Other Revenue	14.8	7.9	87.3%		
Total Revenue	1,895.7	2,289.0	-17.2%		
Cost of Goods Sold	1,482.3	1,695.2	-12.6%	79.4%	75.0%
Gross Profit	384.6	565.4	-32.0%	20.6%	25.0%
SG&A	144.2	159.4	-9.5%	7.7%	7.1%
Net Profit	275.0	437.8	-37.2%	14.5%	19.1%

Financial Summary for the Statement of Comprehensive Income for the 9-month Period of 2026

- The Company recorded Sales Revenue at Baht 1,866.9 million, declining 17.4% from the same period of 2025 at Baht 2,260.6 million.
- The ratio of cost of goods sold to sales revenue was 79.4%, increasing from 75.0% in the same period of 2025.
- The gross profit of Baht 384.6 million with the gross profit margin of 20.6%, decreased from that of the same period of 2025 of 25.0%.
- The selling and administrative expenses of Baht 144.2 million with the ratio to sales revenue of 7.7%, decreased from Baht 159.4 million in the same period of 2025.
- The net profit of Baht 275.0 million decreased from the net profit of Baht 437.8 million in the same period of 2025, with the net profit margin of 14.5%, which decreased from 19.1% in the same period of 2025.

Although the operating results were pressured by the economic slowdown, global economic uncertainty and the changes in the automotive industry, the Company has maintained a good level of profitability relative to the industry conditions.

Cash Flow Statement

Descriptions	As at 30 Sep 2026	As at 30 Sep 2025	Changes +/(-)
Cash flows from operating activities	418.1	667.5	(249.4)
Cash flows used in investing activities	(466.1)	(112.9)	(353.2)
Cash flows used in financing activities	(334.3)	(701.6)	367.3
Net increase (decrease) in cash	(388.2)	(163.6)	
Cash and cash equivalents	117.8	199.6	

(Unit : Baht million)

The Company's cash and cash equivalents (savings accounts with domestic financial institutions only) as of 30 September 2026 were Baht 117.8 million (as at 31 December 2025 was Baht 502.6 million). However, including cash, savings deposits, special savings deposits and all investments, the Company had total cash on hand of Baht 2,989 million as at the end of the third quarter of 2026 (as at 31 December 2025 was Baht 2,908 million).

(+) Cash flow from operating activities was Baht 418.1 million.

(-) Cash flow used in investing activities was Baht 466.1 million, mainly due to the placement in special savings deposits for liquidity management, as well as the investment in machines and equipment to support the production of Baht 39.5 million.

(-) Cash flow used in financing activities was Baht 334.3 million, mainly due to the annual dividend payment for the operating results of the second half of 2025 to the shareholders in May 2026 and the interim dividend payment for the operating results of the first half of 2026 in September 2026, totaling Baht 319 million.

Statement of Financial Position

Descriptions	As of 30 Sep 2026	As of 31 Dec 2025	Changes + / (-)
Current Assets	3,811.0	3,790.5	20.5
Non-current Assets	1,867.2	1,991.0	(123.7)
Total Assets	5,678.2	5,781.5	(103.3)
Current Liabilities	276.6	340.5	(63.9)
Non-current Liabilities	407.3	400.6	6.7
Total Liabilities	683.9	741.1	(57.2)
Paid-up Share Capital	1,525.0	1,525.0	-
Share Premium	2,741.7	2,741.7	-
Retained Earnings	623.2	667.3	(44.0)
Total Shareholders' Equity	4,994.3	5,040.4	(46.1)

(Unit: Baht million)

Total Assets as of 30 September 2026 were Baht 5,678.2 million.

- The Company's current assets increased by Baht 20.5 million, mainly due to the increase in investment in special savings deposits of Baht 463.2 million, while cash and cash equivalents declined by Baht 384.8 million. Inventories decreased by Baht 44.1 million as a result of inventory management aligned with customer demand, while other items decreased by a net amount of Baht 13.8 million. During the period, the Company generated positive net cash flow from operating activities of Baht 418.1 million. Management allocated surplus cash to short-term investments to enhance financial returns, and distributed dividends to shareholders during the year, while maintaining effective liquidity management.
- Non-current Assets decreased by Baht 123.7 million, mainly due to Baht 184.3 million in depreciation cost of machinery and equipment for the nine-month period of 2026, offset by purchases of machinery, equipment and production support systems during the period totaling Baht 52.6 million.

Total liabilities as of 30 September 2026 were Baht 683.9 million, decreased by Baht 57.2 million from the end of 2025, which was from the decrease of Baht 64.2 million in current liabilities to trade suppliers. The Company had neither loan liability in short-term nor long-term from any financial institution as the Company continuously had the positive financial performance and continuously high liquidity.

Equity as of 30 September 2026 was Baht 4,994.3 million, declined by Baht 46.1 million comparing to the end of 2025, as a result of the total comprehensive income for the period, net of the annual dividend for the operating results of the second half of 2025 paid to the shareholders in May 2026 and the interim dividend for the operating results of the first half of 2026 paid in September 2026.

In summary, the Company's financial position remains strong, with a very low debt-to-equity (D/E) ratio of only 0.14 times (as at 31 December 2025: 0.15 times) and no liabilities, whether short-term or long-term, to any financial institution. This provides the Company with a high level of financial flexibility to well accommodate the volatility of the economy and the domestic automotive industry, as well as its future investment plans. The Company has also continued to generate returns to shareholders and utilize its assets efficiently, with ROE of 7.64% and ROA of 6.72%, respectively.

Outlook and Factors that May Affect Future Operations

The Company continues to closely monitor the factors that may affect its operations, particularly the automotive industry's transition to electric vehicles. The Company's core business has long been the manufacture of internal combustion engine (ICE) commercial vehicle parts for automotive manufacturers, and it has expanded into the production of BEV parts over the past several years. The Company therefore aims to maintain its existing customer base in ICE pickup trucks and hybrid electric vehicles (HEV), while expanding its BEV parts business to keep pace with technological change. In addition, with its high-precision manufacturing capabilities, the Company is able to extend into the machinery parts business, a new business that will serve as a driver of future growth, in order to maximize capacity utilization and to accommodate periods when the demand for ICE parts may slow down due to economic conditions, the direction of the industry and changing consumer behavior. The ICE parts business remains the Company's core business, which the Company continues to prioritize. Other factors monitored by the Company include the conflict in the Middle East affecting pickup truck exports and raw material costs, the stringent lending

criteria of financial institutions, the impact of flooding on the industry's production in the fourth quarter of 2026 (the Company was not directly affected by such event), and the dependence on orders from major customers.

Although the economy and the automotive industry remain challenging, the Company views this situation as an opportunity to prepare for future growth. The available production capacity enables the Company to leverage its expertise and experience in manufacturing automotive parts, in both steel and aluminum, to produce parts for other industries through the machinery parts business, which is in the early stage of development.

The Company therefore aims to enhance its capabilities from its existing expertise through investment in advanced manufacturing technology to support the production of parts with higher precision, complexity and added value, as well as more stringent quality standards and production requirements. This will open opportunities in new industries, reduce the dependence on the automotive industry and strengthen long-term competitiveness, together with sustainable business operations and a strong financial position with no liabilities to financial institutions, enabling the Company to continue its business and investment plans in the long term.

Please be informed accordingly.

Sincerely Yours,

(Mr. Banlang Rungrotkitiyot)
Chief Executive Officer