K. W. Metal Work Public Company Limited
TAX ID : 0107561000048

259/83 Sukhumvit 71 Rd., Phrakhanong-nur,
Wattana, Bangkok 10110

(Translation)

No. KWM 010/2569

November 13, 2026

Subject : Management Discussion and Analysis for 3-month period ended September 30, 2026.
To : President
The Stock Exchange of Thailand

K. W. Metal Work Public Company Limited (the "Company") would like to submit management discussion and analysis of significant changes for 3-month period ended September 30, 2026, with details as follows.

unit: million Baht

Items	Quarter 3/2026		Quarter 3/2025		Changes	
	Amount	%	Amount	%	Amount	%
Revenue from sales of goods and rendering of services	**48.60**	**100.00**	57.11	100.00	(8.51)	(14.90)
Cost of sales of goods and rendering of services	**35.24**	**72.51**	41.76	73.12	(6.52)	(15.61)
Gross profit	**13.36**	**27.49**	15.35	26.88	(1.99)	(12.96)
Gain on exchange rate	**0.02**	**0.04**	0.03	0.05	(0.01)	(33.33)
Other income	**0.28**	**0.58**	0.67	1.17	(0.39)	(58.21)
Profit before expenses, finance cost and taxes	**13.66**	**28.11**	16.05	28.10	(2.39)	(14.89)
Distribution costs	**3.30**	**6.79**	3.25	5.69	0.05	1.54
Administrative expenses	**11.66**	**23.99**	11.02	19.30	0.64	5.81
Profit (loss) from operating activities	**(1.30)**	**(2.67)**	1.78	3.12	(3.08)	(173.03)
Finance Costs	**(0.61)**	**(1.26)**	(0.30)	(0.53)	0.31	103.33
Reversal of Impairment Loss (impairment loss)	**0.05**	**0.10**	0.07	0.12	(0.02)	(28.57)
Profit (loss) before income tax	**(1.86)**	**(3.83)**	1.55	2.71	(3.41)	(220.00)
Tax income (expense)	**(0.18)**	**(0.37)**	2.13	3.73	(2.31)	(108.45)
Net profit (loss)	**(2.04)**	**(4.20)**	3.68	6.44	(5.72)	(155.43)

unit: million Baht

Items	9M/2026		9M/2025		Changes	
	Amount	%	Amount	%	Amount	%
Revenue from sales of goods and rendering of services	**222.25**	**100.00**	304.45	100.00	(82.20)	(27.00)
Cost of sales of goods and rendering of services	**169.05**	**76.06**	219.77	72.19	(50.72)	(23.08)
Gross profit	**53.20**	**23.94**	84.68	27.81	(31.48)	(37.18)
Gain on exchange rate	**0.11**	**0.05**	0.24	0.08	(0.13)	(54.17)
Other income	**1.22**	**0.55**	2.29	0.75	(1.07)	(46.72)
Profit before expenses, finance cost and taxes	**54.53**	**24.54**	87.21	28.65	(32.68)	(37.47)
Distribution costs	**13.30**	**5.98**	12.40	4.07	0.90	7.26
Administrative expenses	**34.38**	**15.47**	38.12	12.52	(3.74)	(9.81)
Profit from operating activities	**6.85**	**3.08**	36.69	12.05	(29.84)	(81.33)
Finance Costs	**(2.07)**	**(0.93)**	(2.73)	(0.90)	(0.66)	(24.18)
Reversal of Impairment Loss (impairment loss)	**0.30**	**0.13**	0.58	0.19	(0.28)	(48.28)
Profit before income tax	**5.08**	**2.29**	34.54	11.35	(29.46)	(85.29)
Tax expense	**1.23**	**0.55**	1.91	0.63	(0.68)	(35.60)
Net profit	**3.85**	**1.73**	32.63	10.72	(28.78)	(88.20)

1. Revenue from sales of goods and rendering of services.

For the third quarter ended 30 September 2026, the Company and its subsidiaries recorded revenue from sales of goods and rendering of services of Baht 48.60 million, representing a decrease of Baht 8.51 million, or 14.90%, compared to the same period of the previous year. The decline was primarily attributable to lower sales across almost all major product categories, particularly screw flights, which normally experience strong seasonal demand in the third quarter but recorded a sales decline of 25.42%. This was due to farmers' purchasing power remaining fragile amid high production costs, together with concerns over weather uncertainty and flooding in several areas toward the end of the quarter. As a result, farmers remained cautious about investing and postponed purchases of new agricultural machinery and implements.

Nevertheless, amid the slowdown in new investment, the Company continued to achieve growth in its rotary blade product category, with third-quarter sales increasing by 35.13%. A key supporting factor was the strength of the distribution channels of its subsidiary, Pegasus Landtechnik Co., Ltd., which routinely serves the replacement market through dealers and online channels. This channel structure enables the

Company to reach end-user farmers directly, allowing it to benefit from the current situation in which farmers are clearly shifting toward purchasing spare parts to repair and extend the service life of their existing machinery.

For the nine-month period ended 30 September 2026, the Company and its subsidiaries recorded cumulative revenue from sales of goods and rendering of services of Baht 222.25 million, representing a decrease of Baht 82.20 million, or 27.00%, compared to the same period of the previous year. The decline reflected the continued slowdown in Thailand's agricultural machinery industry, consistent with data from the Department of Land Transport showing that new tractor registrations nationwide declined by 22.26% during the first nine months of the year. These market conditions directly affected demand for implements and orders from agricultural machinery manufacturer (OEM) customers, particularly the Siam Kubota group, resulting in a significant decline in the Company's sales across all products.

Regarding the business outlook going forward, given farmers' focus on maintaining their existing machinery, the Company sees continued growth opportunities in the replacement parts market. The Company will focus on driving sales of wear parts, such as discs and rotary blades, through its strong customer base and retail channels, in order to diversify risk and mitigate the impact of the slowdown in sales of new machinery (OEM). However, the Company will continue to closely monitor price competition in the spare parts market, as well as weather volatility and the continuing impact of flooding, as these factors may affect cultivated areas, farm income, and farmers' investment decisions in the coming quarters.

2. Cost of sales of goods and rendering of services and Expenses

2.1. For the third quarter ended 30 September 2026, the Company recorded cost of sales of goods and rendering of services of Baht 35.24 million, representing a decrease of Baht 6.52 million, or 15.61%, compared to the same period of the previous year, in line with the decline in revenue from sales of goods and rendering of services. However, cost of sales declined at a higher rate than revenue, partly due to an improved product mix. In particular, rotary blades, a product category with a high gross profit margin, increased their share of total revenue to 9.75% from 6.10% in the same period of the previous year, with sales growing by 35.13%. Although the gross profit margins of other product categories declined slightly, the Company was able to maintain its overall gross profitability for the quarter.

For the nine-month period ended 30 September 2026, cost of sales of goods and rendering of services amounted to Baht 169.05 million, representing a decrease of Baht 50.72 million, or 23.08%, compared to the same period of the previous year. The decrease was in line with the slowdown in cumulative revenue, but at a lower rate than the 27.00% contraction in revenue from sales.

During the first nine months of 2026, unit production costs of most major product categories increased, primarily due to lower production volumes in line with the order trend, which reduced the efficiency of fixed cost allocation per unit (under-absorption of overhead), together with pressure from fluctuating energy and maintenance costs. However, the Company has continuously implemented measures to improve production efficiency and control expenses, which began to show positive results in the third quarter, helping to improve unit costs for certain product categories and partially mitigating the impact. Overall, however, low-capacity utilization

throughout the first nine months resulted in average unit production costs remaining higher than in the same period as the previous year.

2.2. For the third quarter ended 30 September 2026, the Company and its subsidiaries recorded distribution costs of Baht 3.30 million, representing an increase of Baht 0.05 million, or 1.54%, compared to the same period of the previous year. The increase was contrary to the decline in revenue from sales and was primarily attributable to expenses of the subsidiary (PGS), whose online channel costs rose as platforms increased their fees, particularly cash-on-delivery (COD) fees, as well as higher commissions. These increases were partially offset by lower advertising, sales promotion, and sales vehicle expenses.

For the nine-month period ended 30 September 2026, distribution costs amounted to Baht 13.30 million, representing an increase of Baht 0.90 million, or 7.26%, compared to the same period of the previous year. The increase was attributable to the Company's participation in the Agritechnica Asia exhibition during the second quarter, whereas the Company did not participate in such activity during the corresponding period of the previous year, together with the increase in online platform fees of the subsidiary.

2.3. For the third quarter ended 30 September 2026, the Company and its subsidiaries recorded administrative expenses of Baht 11.66 million, representing an increase of Baht 0.64 million, or 5.81%, compared to the same period of the previous year. The increase was mainly because the corresponding period of the previous year included consolidation adjustments relating to a subsidiary that is no longer included in the consolidated financial statements, which resulted in lower-than-normal administrative expenses in the comparative period. Excluding this effect, administrative expenses of the Company and its subsidiaries decreased slightly due to lower employee-related expenses, training expenses, and non-recurring expenses incurred in the previous year.

For the nine-month period ended 30 September 2026, administrative expenses amounted to Baht 34.38 million, representing a decrease of Baht 3.74 million, or 9.81%, compared to the same period of the previous year. The decrease was mainly because the corresponding period of the previous year included losses related to the disposal of investment in, and the liquidation of, subsidiaries. Excluding such items, administrative expenses decreased due to the Company's continued control of personnel-related expenses since the first quarter, including employee bonuses and training expenses, together with lower maintenance expenses and non-recurring expenses incurred in the previous year.

3. Finance costs

For the third quarter ended 30 September 2026, the Company and its subsidiaries recorded finance costs of Baht 0.61 million, representing an increase of Baht 0.31 million compared to the same period of the previous year. The increase was mainly because the comparative period was affected by the disposal of investment in a subsidiary, which resulted in lower-than-normal finance costs for that period. Excluding this effect, finance costs were comparable to the previous year, as lower interest expenses on import financing, in line with reduced raw material imports, were offset by higher interest on lease liabilities and borrowings.

For the nine-month period ended 30 September 2026, finance costs amounted to Baht 2.07 million, representing a decrease of Baht 0.66 million, or 24.18%, compared to the same period of the previous year. The decrease was attributable to lower interest expenses on import financing, as the Company reduced raw material imports in line with market conditions, resulting in a significant decline in working capital requirements and short-term borrowings from financial institutions.

4. Net Profit (Loss)

For the third quarter ended 30 September 2026, the Company and its subsidiaries reported a net loss of Baht 2.04 million, representing a net loss margin of 4.20%, compared to a net profit in the same period of the previous year, a decrease of Baht 5.72 million, or 155.43%. This was mainly due to the 14.90% decline in revenue from sales, which reduced gross profit by Baht 1.99 million despite a slight improvement in gross profit margin. In addition, the corresponding period of the previous year included income tax income of Baht 2.13 million, whereas income tax expense of Baht 0.18 million was recorded in the current period.

For the nine-month period ended 30 September 2026, the Company and its subsidiaries reported a net profit of Baht 3.85 million, representing a net profit margin of 1.73%, a decrease of Baht 28.78 million, or 88.20%, compared to the same period of the previous year. This was mainly due to lower revenue from sales amid the slowdown in the agricultural economy, and a decline in gross profit margin from 27.81% to 23.94% as a result of production cost pressures. Although the Company managed to reduce administrative expenses and finance costs, these reductions were insufficient to offset the decline in revenue and gross profit.

5. Statement of Financial Position

Items	30 Sep 2026	31 Dec 2025	Changes	
	Million Baht	Million Baht	Million Baht	%
Total Assets	604.11	634.47	(30.36)	(4.79)
Cash and cash equivalents	138.76	105.58	33.18	31.43
Trade and other current receivables	54.45	70.39	(15.94)	(22.65)
Inventories	190.71	222.79	(32.08)	(14.40)
Property, plant, and equipment	178.58	197.89	(19.31)	(9.76)
Right-of-use assets	37.40	25.94	11.46	44.18
Other non-current assets	1.74	8.53	(6.79)	(79.60)
Total Liabilities	80.05	99.26	(19.21)	(19.35)
Short-term borrowings from financial institutions	27.49	46.11	(18.62)	(40.38)
Trade and other current payables	14.83	21.46	(6.63)	(30.89)
Current portion of long-term borrowings	3.12	3.10	0.02	0.65
Current portion of lease liabilities	8.90	6.70	2.20	32.84
Long-term borrowings	3.06	5.41	(2.35)	(43.44)

Items	30 Sep 2026	31 Dec 2025	Changes	
	Million Baht	Million Baht	Million Baht	%
Lease liabilities	18.55	12.18	6.37	52.30
Total shareholders' equity	524.06	535.21	(11.15)	(2.08)

As of 30 September 2026, the Company and its subsidiaries reported total assets of Baht 604.11 million, representing a decrease of Baht 30.36 million, or 4.79%, compared to the balance as of 31 December 2025. The change was mainly attributable to the following significant items:

Cash and cash equivalents as of 30 September 2026 increased by Baht 33.18 million, or 31.43%, compared to the balance as of 31 December 2025. During the nine-month period, the Company and its subsidiaries generated net cash from operating activities of Baht 114.04 million, while net cash used in investing activities amounted to Baht 2.70 million and net cash used in financing activities amounted to Baht 78.16 million.

Cash outflows from financing activities mainly comprised repayments of short-term borrowings from financial institutions of Baht 65.82 million, including the settlement of trade payables transferred to short-term borrowings from financial institutions (T/R) of Baht 46.38 million, dividend payments of Baht 14.99 million, repayments of lease liabilities of Baht 6.63 million, repayments of long-term borrowings of Baht 2.33 million, and interest payments of Baht 2.10 million. These outflows were partially offset by cash proceeds of Baht 13.72 million from the sale and leaseback of machinery.

Trade and other current receivables amounted to Baht 54.45 million as of 30 September 2026, representing a decrease of Baht 15.94 million, or 22.65%, compared to the balance as of 31 December 2025, in line with the lower revenue from sales of goods and rendering of services in the third quarter of 2026 compared to the fourth quarter of 2025.

Inventories amounted to Baht 190.71 million as of 30 September 2026, representing a decrease of Baht 32.08 million, or 14.40%, compared to the balance as of 31 December 2025. The decrease resulted from managing inventory levels in line with slowing customer demand, as the Company and its subsidiaries carefully controlled production and raw material purchases.

Property, plant and equipment amounted to Baht 178.58 million as of 30 September 2026, representing a decrease of Baht 19.31 million, or 9.76%, compared to the balance as of 31 December 2025. The decrease was mainly attributable to the transfer of machinery of Baht 15.40 million to right-of-use assets under sale and leaseback agreements, together with depreciation for the period of Baht 14.01 million, largely offset by additional investments in assets of Baht 10.58 million.

Right-of-use assets amounted to Baht 37.40 million as of 30 September 2026, representing an increase of Baht 11.46 million, or 44.18%, compared to the balance as of 31 December 2025. The increase was mainly attributable to the transfer of machinery of Baht 15.40 million from property, plant and equipment under sale and leaseback agreements, and a new building lease entered into by a subsidiary with a related party of Baht 1.48 million, less depreciation for the period of Baht 5.02 million and the transfer of vehicles whose lease terms had ended to property, plant and equipment of Baht 0.41 million.

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As of 30 September 2026, the Company and its subsidiaries reported total liabilities of Baht 80.05 million, representing a decrease of Baht 19.21 million, or 19.35%, compared to the balance as of 31 December 2025. The significant changes are summarized as follows:

Short-term borrowings from financial institutions amounted to Baht 27.49 million as of 30 September 2026, representing a decrease of Baht 18.62 million, or 40.38%, compared to the balance as of the end of 2025. The decrease resulted from lower utilization of import credit facilities (L/C and T/R) for purchases of raw materials from overseas, in order to manage inventory at an appropriate level.

Trade and other current payables amounted to Baht 14.83 million as of 30 September 2026, representing a decrease of Baht 6.63 million, or 30.89%, compared to the balance as of the end of 2025. The decrease was primarily attributable to reduced purchases of raw materials for plough implement products, in line with the slowdown in customer orders amid industry conditions.

Long-term borrowings, including the current portion due within one year, amounted to Baht 6.18 million as of 30 September 2026, representing a decrease of Baht 2.33 million, or 27.38%, compared to the balance as of the end of 2025, as a result of scheduled loan repayments.

Lease liabilities, including the current portion due within one year, amounted to Baht 27.45 million as of 30 September 2026, representing an increase of Baht 8.57 million, or 45.39%, compared to the balance as of the end of 2025. The increase was primarily attributable to the recognition of liabilities from the sale and leaseback of dozer blade drilling machines and a new furnace of Baht 13.72 million and a new lease agreement of a subsidiary of Baht 1.48 million, less lease principal repayments of Baht 6.63 million.

As of 30 September 2026, total shareholders' equity of the Company and its subsidiaries amounted to Baht 524.06 million, representing a decrease of Baht 11.15 million, or 2.08%, compared to the balance as of the end of 2025, due to net profit for the period of Baht 3.85 million, offset by dividend payments of Baht 14.99 million in May 2026.

Please be informed accordingly.

Yours sincerely

Miss Benyada Surathanmetha
Managing Director
K. W. Metal Work Public Company Limited