Aug 14, 2026

Subject Management Discussion and Analysis for the period of three months ended 30th June 2026

To President of the Stock Exchange of Thailand

Secretary of the Office of Securities and Exchange Commission

Lohakit Metal Plc. (the "Company") would like to notify the financial status and operating performance for the period of three months ended 30th June 2026 of the Company and its subsidiaries as details below:

(Unit: Baht millions)

Consolidated financial statement	For the period of three months ended 30th June			
	Apr 2026 - June 2026	Apr 2025 - June 2025	Change	% Change
Revenue from sales & service	750.89	628.92	121.97	19.4%
Other income	3.72	6.33	-2.61	-41.2%
Total revenue	**754.61**	**635.25**	**119.36**	**18.8%**
Cost of goods sold & service	646.25	541.07	105.18	19.4%
Selling expenses	12.14	11.71	0.43	3.7%
Administrative expenses	29.66	28.96	0.70	2.4%
Total expenses	**688.05**	**581.74**	**106.31**	**18.3%**
Earning before interest and tax	**66.56**	**53.51**	**13.05**	**24.4%**
Financial expenses	-1.63	-0.94	-0.69	73.4%
Share of loss from investment in associate	-	-0.15	0.15	-98.0%
Income tax expenses	-13.06	-10.60	-2.46	23.2%
Net profit for the period	**51.87**	**41.82**	**10.05**	**24.0%**
Profit Sharing for non-controlling interest of a subsidiary company	-11.27	-13.36	2.09	-15.6%
Net profit for the company and its subsidiaries	**40.60**	**28.46**	**12.14**	**42.6%**

1. Operating Performance

For the period of the first three months ended 30 June 2026, the Company and its subsidiaries recorded a net profit for the company and its subsidiary in the amount of 40.60 million baht, an increase of 12.14 million baht or of 42.6 percent. The current three-month performance has increased from profit in the same period the previous year. This was driven by sourcing raw materials from multiple channels, which lowered the average raw material costs to an optimal level and consequently improved profitability this quarter. Additionally, the domestic data center and semiconductor industries continued to grow, stimulating the construction sector. While the tourism project segment remained stable, high domestic household debt persisted, impacting commercial bank loan approvals. Consequently, domestic automobile production and sales in this segment stabilized.

The profit before interest and tax increased by Baht 13.05 million or 24.4 percent whereas corporate tax increased by 2.46 million. This was due to the company and a subsidiary's operating profit increased. The financial costs increased by baht 0.69 million. In addition, the Company and its subsidiaries have recognized the share of profit of non-controlling interests of the subsidiaries in the amount of 11.27 million baht, a decreased of 2.09 million baht or of 15.6 percent from the same period of the previous year.

1.1 Revenue

For the period of three months ended 30th June 2026, the Company and its subsidiaries had revenue from sales and service of Baht 750.89 million compared with Baht 628.92 million in the same period of the previous year or increased by 19.4 percent. The increase was due to higher sales volume in both metal and non-metal segments, alongside a continuous and steady increase in average selling prices for all main product lines, following metal commodity price trends. Meanwhile, the exhaust pipe segment for automobiles and motorcycles saw a decrease in both sales volume and market prices. However, the Company and its subsidiaries continue to push forward in expanding sales volume across domestic and internationally markets.

Most of the sales are from copper, aluminum, stainless steel and galvanized steel products, while most of the sales of the subsidiaries are from stainless steel and non-metal products such as copper and aluminum, which are sold to various industries, mostly automotive, electrical appliances and construction.

1.2 Other income

Other income consists of interest income, gain from asset sales and revenue from scrap sales. For the period of three months ended 30th June 2026, the Company and its subsidiaries had other income of Baht 3.72 million which decreased by 41.2 percent from the same period previous year. The significant other income is income from scrap sales which are the results from the processing of cold rolled stainless steel sheet and coil such cut to length as per customers' requirements. The Company and its subsidiaries therefore sold scrap and recorded as the other income.

1.3 Cost of goods sold

Major cost of goods sold are cost of products consisting of cold rolled stainless steel sheet, Copper, Aluminum, Brass, Galvanized iron with various type as coil, sheet, pipe and axle. The Company and its subsidiaries procure finish quality product for sales as well as raw material for manufacture to quality product and sales. For the period of three months ended 30th June 2026, the Company and its subsidiaries had cost of goods sold of Baht 646.25 million, or accounting for 85.64 percent of the total revenue in comparing with Baht 541.07 million, or accounting for 85.17 percent of the total revenue of previous year. The cost of goods sold of the company and its subsidiaries a bit increased by 0.47 percent compared with the same period last year, while revenues from sales and services increased by 19.4 percent. This is mainly due to the continuing decline of raw material prices and steady, resulting in a decrease in average product costs.

1.4 Selling expenses

Selling expenses consist of sale staff expenses, transportation expenses and promotion expenses. For the period of three months ended 30th June 2026, the Company and its subsidiaries had selling expenses of Baht 12.14 million, compared with selling expenses of Baht 11.71 million in the same period of the previous year which a bit increased by Baht 0.43 million or 3.7 percent mainly due to the marketing expenses. The selling expenses ratio for the period of three months ended 30th June 2026 was 1.62 percent of sale and service, a bit decrease in compared with selling expenses ratio of 1.86 percent of sale and service in the same period of the previous year.

1.5 Administrative expenses

Administrative expenses consist of executive expenses and staff expenses other than sale department, office rental expenses and other management and administrative expenses. For the period of three months ended 30th June 2026, the Company and its subsidiaries had administrative expenses of Baht 29.66 million, compared with administrative expenses of Baht 28.96 million in the same period of the previous year which a bit increased by Baht 0.70 million or 2.4 percent.

The other increase is in area of personnel costs due to salary normally increased year by year and other administrative expenses. As such, the administrative expenses for the three months ended 30th June 2026 was 3.93 percent of total revenue, a bit decreased in compared with administrative expenses of 4.56 percent of total revenue in the same period of the previous year.

1.6 Share of income from investment in associate

In April 2009, the Company invested in the ordinary shares of Mory Lohakit (Thailand) Co.,ltd. ,who is the marketing and sale force for the company and its subsidiaries and joint venture, by holding 49 percent of total shares. On 30 October 2025, The Company entered into purchase partially ordinary shares form an existing shareholder, totaling 2,000 shares. This resulted the Company's shareholding form 49% to 51%. However the company and its associates retain their management authority unchanged from the previous shareholding proportion. Therefore, the company continues to manage the investment as an associate company. As for the period of three months ended 30th June 2026, the company and its subsidiaries recognized share of loss , by using equity method, of Baht -0.003 million in consolidated income statements in which decreased by Baht 0.15 million or 98.0 percent in comparison with the same period of previous year.

1.7 Earning (loss) before interest and tax and Net Profit (loss) for the period

For the period of three months ended 30th June 2026, the Company and its subsidiaries had profit before interest and tax of Baht 66.56 million. After deducting the financial expense of Baht 1.63 million and income tax of Baht 13.06 million, the net profit of the Company and its subsidiaries was at Baht 51.87 million. When comparing to the profit before interest and tax and the net profit of the same period of the previous year which were at Baht 53.51 million and Baht 41.82 million respectively, the profit before interest and tax and net profit of the present period increased by 24.4 percent and 24.0 percent respectively.

In addition, the company and its subsidiaries had loss sharing to minority interest in a subsidiary for the amount of Baht 11.27 million for the present period or a decrease by Baht 2.09 million from the same period of previous year. Therefore, the net profit for the company and its subsidiary for the three months ended as of 30th June 2026 increased by Baht 12.14 million, from the net profit of 40.60 million Baht in comparison with the same period of previous year.

1.8 Income tax

For the three months ended 30th June 2026, the Company and its subsidiaries recognized tax income by Baht 13.06 million or increased by 23.2 percent. This was mainly due to improved profit from operating results in current quarter.

1.9 Profit Sharing for non-controlling interest of a subsidiary company

On Oct 1' 2010, the company sold partial investment in a subsidiary company to Japanese alliance, Mory Industrial Inc. The Company and its subsidiaries recognized profit sharing to minority shareholders according to the percentage of shareholding of net profit in subsidiary was amount by Baht 11.27 million for the three months period ended 30th June 2026.

1.10 Profitability

For the period of three months ended 30th June 2026, the Company and its subsidiaries had gross profit margin of 13.94 percent, slightly decreased by 0.03 percent when compared with gross profit margin of 13.97 percent in the same period of the previous year. This was primarily driven by the policy of sourcing high-quality raw materials from multiple channels, which continuously lowered average raw material costs and led to wider gross profit margins. Nevertheless, the Group sustained its aggressive sales strategy within the contracting market during the year to remain focused on achieving its designated profit targets.

(Unit: Baht million)

Consolidated balance sheets	As at 30th June 2026		As at 31st Mar 2026	
	Amount	%	Amount	%
Assets				
Current Assets				
Cash and cash equivalents	436.79	19.22%	439.23	20.51%
Trade and other current receivable	694.91	30.57%	654.37	30.55%
Inventories	625.05	27.50%	532.94	24.88%
Other current assets	8.48	0.37%	3.48	0.16%

Total current assets	**1,765.23**	**77.66%**	**1,630.02**	**76.10%**
Non-current assets				
Restricted bank deposits	46.18	2.03%	46.18	2.16%
Investment in associate	5.33	0.23%	5.34	0.25%
Non-Current Financial Assets (Long-term investment)	3.05	0.13%	2.74	0.13%
Property, plant and equipment	419.25	18.45%	423.69	19.78%
Intangible assets	8.67	0.38%	8.95	0.42%
Deferred tax assets	14.23	0.63%	13.70	0.64%
Other non-current assets	10.99	0.48%	11.03	0.52%
Total non-current assets	**507.70**	**22.33%**	**511.63**	**23.90%**
TOTAL ASSETS	**2,272.93**	**100.00%**	**2,141.65**	**100.00%**
LIABILITIES				
Current liabilities				
Short term loans from banks	130.64	5.75%	127.37	5.95%
Trade and others current payables	468.27	20.60%	376.67	17.59%
Lease payable due within one year	4.24	0.19%	4.19	0.20%
Income tax payable	34.98	1.54%	21.59	1.01%
Other current liabilities	4.94	0.22%	11.66	0.54%
Total current liabilities	**643.07**	**28.30%**	**541.48**	**25.29%**
Non-current liabilities				
Lease Payable	6.25	0.27%	7.33	0.34%
Provision for long-term employee benefits	41.34	1.82%	40.35	1.88%
Total non-current liabilities	**47.59**	**2.09%**	**47.68**	**2.22%**
TOTAL LIABILITIES	**690.66**	**30.39%**	**589.16**	**27.51%**
SHAREHOLDERS' EQUITY				
Shareholder equity				
Registered capital	383.00		383.00	
Issued and Paid up capital	383.00	16.85%	383.00	17.88%
Premium on stock	519.67	22.86%	519.67	24.27%
Retained earnings				
Legal reserve	38.30	1.69%	38.30	1.79%
Un-appropriated	490.78	21.59%	450.18	21.02%
Non-controlling interest of the subsidiary	150.52	6.62%	161.34	7.53%
Total shareholders' equity	**1,582.27**	**69.61%**	**1,552.49**	**72.49%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,272.93**	**100.00%**	**2,141.65**	**100.00%**

2. Financial Status

2.1 Assets

As for the assets value as at and 30th June 2026 and 31st March 2026, the Company and its subsidiaries had total assets of Baht 2,272.93 million and Baht 2,141.65 million respectively. The Company and its subsidiaries operated integrated stainless center which provided many kinds of services such as procurement, transformation, manufacture and stainless products wholesale and a subsidiary who is the finish goods trader of metal and non-ferrous metal. Therefore, the Company and its subsidiaries' major assets are inventories, account receivables, land, plant and equipment as details below:

2.1.1 Inventories: As at and 30th June 2026 and 31st March 2026 the Company and its subsidiaries had net inventories of Baht 625.05 million (or 27.50 percent of total assets) and Baht 532.94 million (or 24.88 percent of total assets) respectively.

2.1.2 Trade and other current receivables – other parties: As at and 30th June 2026 and 31st March 2026, the Company and its subsidiaries had Trade account receivables, net – other parties of Baht 694.91 million (or 30.57 percent of total assets) and Baht 654.37 million (or 30.55 percent of total assets) respectively.

2.1.3 Land, plant and equipment - Land and improvements, building, machinery, office equipment, vehicles and work on progress of construction: As at and 30th June 2026 and 31st March 2026, the Company and its subsidiaries had Land, plant and equipment – net of Baht 419.25 million (or 18.45 percent of total assets) and Baht 423.69 million (or 19.78 percent of total assets) respectively.

2.1.4 Restricted bank deposit: As at and 30th June 2026 and 31st March 2026, the Company and its subsidiaries had net value of Baht 46.18 million (or 2.03 percent of total assets and 2.16 percent of total assets) respectively. The restricted fix deposit by a subsidiary was used as guarantee for loans from financial institution.

2.1.5 Deferred tax assets: As at and 30th June 2026 and 31st March 2026, the Company and its subsidiaries had net value of Baht 14.23 million and Baht 13.70 million respectively (0.63 percent and 0.64 percent of total assets respectively).

2.2 Liabilities

The total liabilities of the Company and its subsidiaries as at and 30th June 2026 and 31st March 2026 stood at Baht 690.66 million and Baht 589.16 million respectively. The current and total liabilities increased net, mainly due to receive from short term loan and an increased account payable, aligning with the growth in customer orders.

2.3 Shareholders' equity

As at and 30th June 2026 and 31st March 2026, shareholders' equity was Baht 1,582.27 million and Baht 1,552.49 million or increase by 29.78 million. The major changes were the net profit amounting to Baht 51.87 million and dividend payment of Baht 22.08 million. Therefore, existing portions of company shareholding interest and non-controlling interest of subsidiary stood at Baht 1,431.75 million and Baht 150.52 million respectively.

Debt to Equity ratio as at and 30th June 2026 and 31st March 2026 were 0.44 and 0.38 times respectively.

(Unit: Baht million)

Consolidated cash flows statement	As at 30th June 2026	As at 30th June 2025
Net cash from (used in) operating activities	21.69	43.91
Net cash used in investing activities	-4.19	1.83
Net cash from (used in) financing activities	-19.95	-53.15
Effect of exchange rate to cash and cash equivalent	-	-0.06
Net increase (decrease) in cash	-2.45	-7.47

3. Cash flows

For the period ended June 2026 and 2025, the Company and its subsidiaries generated net increase in cash from operating activities of Baht 21.69 million, consisting of baht 76.36 million positively from operating performance and net negative in working capital of Baht -54.67 million. The net positive cash flow in working capital came from increased operating net profit. Additionally, effective inventory management to meet growing customer demand resulted in an increase in inventory, trade accounts receivable, and trade accounts payable.

Net negative cash flow from investing activities was amount to -4.19 million baht. Mostly due to the payment was made for the purchase of overhaul machinery by a subsidiary.

The financing part was net Baht -19.95 million with mostly due to receive from short term loan of Baht 3.27 million and pay off lease debt of Baht -1.14 million, including the payment of dividend by Baht -22.08 million.

In total, net cash for the period was decreased by Baht -2.45 million.

Please be informed accordingly.

Sincerely yours,

Vittawat Akarapongpisak

(Mr. Vittawat Akarapongpisak)

Deputy Managing Director