

Management Discussion and Analysis: MD&A

Financial Position and Operational Performance Analysis

Summary of Operational Performance for the 9-Month Period ended September 30, 2025

Under the context of a slowing global economy amid uncertainty caused by trade wars and U.S. tariff policies, the Company has continued to maintain its business strength through effective cost management. This has enabled the Company to sustain its competitiveness despite facing pressure from the U.S. import tariff measures, which took effect at a rate of 25% in March 2025 and increased to 50% in early June 2025, covering steel and aluminum products from all countries equally.

Nevertheless, customer demand from the U.S. has remained steady, driven by both replacement needs for worn-out products and the expansion of the Company's business partners in the country. As a result, the Company has been able to maintain consistent order volumes from U.S. customers, with orders increasing by 14% compared to the same period of the prior year.

To enhance business sustainability, the Company has implemented a market diversification strategy across various global regions to reduce risks associated with dependence on major markets and to balance revenue streams among regions with differing demand cycles. This strategy has helped mitigate revenue volatility and support continuous growth.

For the nine-month period ended September 30, 2025, the Company's sales volume was comparable to the same period of the prior year. The proportion of large tanks and low-pressure tanks increased, which typically have higher average selling prices than household LPG cylinders. This aligns with the Company's sales strategy of promoting higher value-added products, enabling the Company to maintain a higher gross profit margin compared to the prior period. However, due to a 16% decrease in steel market prices compared to the same period last year, the Company had to adjust selling prices accordingly. In addition, the continued appreciation of the Thai Baht negatively affected export revenues, resulting in an overall 12% decline in total revenue compared to the same period of the prior year.

Regarding freight costs, the Company has experienced significant volatility since the second quarter of the year. In response, it has revised its sales policy to better align with the situation by offering product quotations excluding freight charges and confirming freight costs closer to the delivery date. This approach helps reduce risks from logistics cost fluctuations.

The Company firmly believes that its strategies—focused on cost management, sales policy flexibility, market diversification, and promoting higher value-added products—will remain key factors supporting its competitiveness and fostering sustainable long-term growth, even amid global economic uncertainty.

Performance highlights

Major attributes to the Company's operating performance variations between Q3/2025 and Q3/2024 are as follows:

1. Revenue from sales and services decreased by Baht 308.98 million (26.5%), from Baht 1,166.58 million to Baht 857.60 million, in line with a 13% decline in sales volume. The decrease was primarily due to shipping freight rate volatility, which caused customers to delay product acceptance. Meanwhile, the average raw material (steel) price dropped 21% compared to the same period last year, and the Thai Baht appreciated by 8%, resulting in lower selling prices.
2. Cost of sales and services decreased by Baht 252.36 million (28.2%), from Baht 896.42 million to Baht 644.06 million, consistent with the lower sales volume.
3. Gross profit decreased by Baht 56.62 million (21.0%), from Baht 270.16 million to Baht 213.54 million, while the gross profit margin increased from 23.2% to 24.9%. This improvement in margin was mainly driven by the 21% decline in raw material (steel) prices and a higher sales proportion of large cylinders and other low-pressure types, which are higher-value and higher-margin products, offset by the 8% appreciation of the Thai Baht.
4. Other income decreased by Baht 13.98 million (26.3%), from Baht 53.22 million to Baht 39.24 million, due to lower scrap sales revenue following a reduction in production volume and the decline in market steel prices.
5. Selling and distribution expenses decreased by Baht 66.87 million (59.9%), from Baht 111.59 million to Baht 44.72 million. This decrease was mainly due to lower freight expenses, in line with the lower sales volume, and an increased proportion of sales under FOB (Free on Board) terms following the Company's adjustment in sales policy.
6. Administrative expenses decreased by Baht 43.32 million (40.3%), from Baht 107.41 million to Baht 64.09 million, primarily due to efficient financial management that resulted in lower foreign exchange losses.
7. Finance costs decreased by Baht 4.37 million (69.6%), from Baht 6.28 million to Baht 1.91 million, consistent with reduced raw material (steel) purchases following lower steel market prices. In addition, the Company's debt obligations decreased due to accelerated repayments using surplus cash, which helped reduce finance costs. Market interest rates also declined slightly during the period.
8. Income tax expense increased by Baht 16.49 million (>100%), in line with higher operating profit, net of tax incentives under the community and social development promotion program granted by the Board of Investment (BOI). The statutory corporate tax rate remained unchanged at 20%.
9. Profit for the period increased by Baht 27.47 million (27.4%), from Baht 100.22 million to Baht 127.69 million. Despite the decrease in sales compared to the same period last year, improved cost and financial management, together with higher gross profit margins, resulted in an overall increase in net profit for the period.

Major attributes to the Company's operating performance variations between Q3/2025 and Q2/2025 are as follows:

1. Revenue from sales and services decreased by Baht 300.28 million (25.9%), from Baht 1,157.88 million to Baht 857.60 million, in line with a 21% decrease in sales volume. The decline was primarily due to shipping freight rate volatility, which caused customers to delay product acceptance. In addition, the average raw material (steel) price fell by 8% compared to the prior quarter, and the Thai Baht appreciated by 3%, resulting in lower selling prices.
2. Cost of sales and services decreased by Baht 201.59 million (23.8%), from Baht 845.65 million to Baht 644.06 million, consistent with the decline in sales volume. The cost of raw materials (steel) also decreased by 8% from the prior quarter.
3. Gross profit decreased by Baht 98.69 million (31.6%), from Baht 312.23 million to Baht 213.54 million, while the gross profit margin declined by 2.1%, from 27.0% to 24.9%. This decrease was mainly due to higher production costs per unit as a result of lower production volume, together with a slight appreciation of the Thai Baht compared to the prior quarter.
4. Other income decreased by Baht 17.12 million (30.4%), from Baht 56.36 million to Baht 39.24 million, due to lower scrap sales revenue following reduced production volume and lower scrap steel prices in line with declining market steel prices. In addition, foreign exchange gains decreased due to the appreciation of the Thai Baht.
5. Selling and distribution expenses decreased by Baht 26.14 million (36.9%), from Baht 70.86 million to Baht 44.72 million. The decrease was primarily due to lower promotional expenses, as most sales during the period were made directly to customers rather than through overseas agents. Freight costs also decreased, in line with a higher proportion of sales under FOB (Free on Board) terms following the Company's sales policy adjustment to exclude freight costs in order to mitigate the impact of shipping freight volatility.
6. Administrative expenses decreased by Baht 23.38 million (26.7%), from Baht 87.47 million to Baht 64.09 million, mainly due to a reduction in expenses related to the community and social development promotion program supported by the Board of Investment (BOI).
7. Finance costs decreased by Baht 0.85 million (30.9%), from Baht 2.76 million to Baht 1.91 million, consistent with reduced debt obligations, achieved through the use of surplus cash for accelerated debt repayment to lower finance costs.
8. Income tax expense increased by Baht 14.48 million (>100%), as a result of a reduction in the utilization of tax privileges under the community and social development promotion program granted by the BOI, leading to higher tax payable for the period. The statutory corporate tax rate remained unchanged at 20%.
9. Profit for the period decreased by Baht 79.92 million (38.5%), from Baht 207.61 million to Baht 127.69 million. The decline was mainly due to lower sales and a slight decrease in gross profit margin, together with an increase in income tax expenses following the slowdown in BOI project investment. These effects were partially offset by reductions in selling and distribution expenses, administrative expenses, and finance costs.

Major attributes to the Company's operating performance variations for the nine-month period ended September 30, 2025, compared to the same period of 2024, are as follows:

1. Revenue from sales and services decreased by Baht 403.24 million (11.7%), from Baht 3,445.23 million to Baht 3,041.99 million, in line with a 3% decline in sales volume and a 9% decrease in average selling prices. The decline in selling prices resulted from a 16% drop in raw material (steel) prices compared to the same period last year and a 7% appreciation of the Thai Baht, which together led to lower overall sales revenues.
2. Cost of sales and services decreased by Baht 352.24 million (13.2%), from Baht 2,666.84 million to Baht 2,314.60 million, consistent with the decline in sales volume and steel prices.
3. Gross profit decreased by Baht 51.00 million (6.6%), from Baht 778.39 million to Baht 727.39 million, in line with the lower sales volume. However, the gross profit margin improved by 1.3%, from 22.6% to 23.9%, mainly due to an increased sales proportion of large cylinders and other types of cylinders with higher profit margins, as well as a 16% reduction in steel prices, offset by the appreciation of the Thai Baht.
4. Other income decreased by Baht 25.06 million (12.8%), from Baht 196.05 million to Baht 170.99 million, primarily due to a reduction in scrap steel sales revenue in line with a 16% decline in global steel prices. However, foreign exchange gains increased as a result of more effective Baht management.
5. Selling and distribution expenses decreased by Baht 93.20 million (36.2%), from Baht 257.67 million to Baht 164.47 million, mainly due to an increased proportion of sales under FOB (Free on Board) terms, which helped mitigate the impact of shipping freight volatility. In addition, promotional expenses declined as the Company shifted toward direct sales to overseas customers rather than through local agents.
6. Finance costs decreased by Baht 17.42 million (66.0%), from Baht 26.41 million to Baht 8.99 million, consistent with the reduction in debt obligations related to raw material purchases and the Company's proactive debt repayments to reduce financial costs.
7. Profit for the period increased by Baht 28.88 million (6.4%), from Baht 451.87 million to Baht 480.75 million, despite lower sales revenues. The improvement was mainly due to a higher gross profit margin, a reduction in selling and distribution expenses following the shift to FOB sales terms to minimize freight volatility risk, and lower finance costs achieved through accelerated debt repayment.

Financial Position

Assets

As of 30 September 2025, the Company's total assets decreased by Baht 281.51 million (7.2%), from Baht 3,918.06 million as of 31 December 2024 to Baht 3,636.55 million. The key changes in assets were as follows:

- Cash and cash equivalents and other current financial assets (net) increased by Baht 352.07 million (53.8%), from Baht 655.01 million to Baht 1,007.08 million, primarily due to net profit generated during the period and cash reserves allocated for the repayment of trade payables and short-term loans from bank.

- Trade account receivables decreased by Baht 382.48 million (59.8%), from Baht 639.16 million to Baht 256.68 million, as a result of collections received during the period.
- Inventories decreased by Baht 229.90 million (19.5%), from Baht 1,176.40 million to Baht 946.50 million, mainly due to a reduction in raw materials utilized in production during the period.

Liabilities

As of 30 September 2025, the Company's total liabilities decreased by Baht 403.48 million (45.7%), from Baht 881.97 million as of 31 December 2024 to Baht 478.49 million. The key changes in liabilities were as follows:

- Short-term loans from banks and trade and other payables (net) decreased by Baht 403.75 million (64.7%), from Baht 624.22 million to Baht 220.48 million, primarily due to accelerated repayments during the period to reduce finance costs.
- Accrued transportation expenses decreased by Baht 35.11 million (86.9%), from Baht 40.40 million to Baht 5.29 million, as most sales in Q3/2025 were made under FOB (Free on Board) terms.

Shareholders' Equity

As of 30 September 2025, the Company's shareholders' equity increased by Baht 121.97 million (4.0%), from Baht 3,036.09 million as of 31 December 2024 to Baht 3,158.06 million. The key changes in shareholders' equity were as follows:

- An increase of Baht 480.75 million from the net profit for the nine-month period from January to September 2025.
- Offset by a decrease of Baht 358.78 million in retained earnings, resulting from dividend payments based on the Company's operating results for the periods July to December 2024 and January to June 2025.

Cash Flow

As of 30 September 2025, the Company's cash and cash equivalents decreased by Baht 76.14 million from the end of 2024. The changes in cash flow were as follows:

- Net cash provided from operating activities amounted to Baht 976.30 million, primarily derived from the Company's operating results for the nine-month period from January to September 2025, cash collections from trade receivables during the period, and a reduction in raw material inventories due to production usage. These were offset by payments to trade and other payables. In addition, accrued transportation expenses declined as the Company increased its proportion of FOB (Free on Board) sales following the sales policy adjustment.
- Net cash used in investing activities totaled Baht 478.27 million, mainly from working capital management through short-term investments that provided higher returns than bank deposits, as well as machinery upgrades to enhance production efficiency.
- Net cash used in financing activities amounted to Baht 574.16 million, resulting from repayments of short-term bank loans used for raw material (steel) purchases and dividend payments based on the Company's operating results for the periods July to December 2024 and January to June 2025.

Summary of financial status, operating results, and significant financial ratios

Financial statement

STATEMENT OF FINANCIAL POSITION (Thousand Baht)	30 September 2025	31 December 2024	Inc(Dec)	
			Thousand Baht	%
Cash and cash equivalents	24,517	100,657	(76,140)	(75.6%)
Trade accounts receivable	256,676	639,157	(382,481)	(59.8%)
Inventories	946,499	1,176,401	(229,902)	(19.5%)
Advance payments for goods	6,230	3,469	2,761	79.6%
Refundable value added tax	23,262	36,168	(12,906)	(35.7%)
Other current financial assets	982,562	554,350	428,212	77.2%
Other current assets	15,329	12,704	2,625	20.7%
Total Current Assets	2,255,075	2,522,906	(267,831)	(10.6%)
Investment property	61,917	61,917	0	-
Property, plant and equipment	1,302,457	1,317,239	(14,782)	(1.1%)
Deferred tax assets	16,652	15,552	1,100	7.1%
Other non-current assets	448	448	-	-
Total Non-Current Assets	1,381,474	1,395,156	(13,682)	(1.0%)
TOTAL ASSETS	3,636,549	3,918,062	(281,513)	(7.2%)
Short-term loans from bank	71,779	284,537	(212,758)	(74.8%)
Trade and other payables	148,696	339,687	(190,991)	(56.2%)
Current portion of lease liabilities	2,495	2,580	(85)	(3.3%)
Advances received from customers	61,075	46,646	14,429	30.9%
Dividend payable	6,808	6,117	691	11.3%
Accrued commission expenses	13,193	33,061	(19,868)	(60.1%)
Accrued transportation expenses	5,285	40,395	(35,110)	(86.9%)
Accrued income tax	14,719	5,862	8,857	151.1%
Other accrued expenses	78,581	49,608	28,973	58.4%
Other current liabilities	3,037	3,037	0	-
Total Current Liabilities	405,668	811,530	(405,862)	(50.0%)
Lease liabilities	0	1,869	(1,869)	(100.0%)
Liabilities under post-employment benefits	72,822	68,573	4,249	6.2%
Total Non-Current Liabilities	72,822	70,442	2,380	3.4%
TOTAL LIABILITIES	478,490	881,972	(403,482)	(45.7%)
Issued and fully paid-up 535,506,333 shares	535,506	535,506	-	-
Premium on share capital	55,091	55,091	-	-
Retained earnings - Appropriated for legal reserve	53,641	53,641	-	-
Retained earnings - Unappropriated	2,513,821	2,391,852	121,969	5.1%
TOTAL SHAREHOLDERS' EQUITY	3,158,059	3,036,090	121,969	4.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,636,549	3,918,062	(281,513)	(7.2%)

Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME (Thousand Baht)	Q3/25	Q3/24	Q2/25	Inc(Dec)	
				Q3/25 - Q3/24	Q3/25 - Q2/25
Revenue from sales and services	857,603	1,166,580	1,157,878	(26.49%)	(25.93%)
Costs of sales and services	644,062	896,421	845,653	(28.15%)	(23.84%)
Gross profit	213,541	270,159	312,225	(20.96%)	(31.61%)
Other income	39,244	53,219	56,361	(26.26%)	(30.37%)
Selling and distribution expenses	44,724	111,590	70,861	(59.92%)	(36.88%)
Administrative expenses	64,094	107,409	87,468	(40.33%)	(26.72%)
Total expenses	108,818	218,999	158,329	(50.31%)	(31.27%)
Finance costs	1,909	6,275	2,762	(69.58%)	(30.88%)
Profit before income tax	142,058	98,104	207,495	44.80%	(31.54%)
Income tax benefit (income tax expenses)	(14,364)	2,124	117	(776.27%)	(12376.92%)
Profit for the period	127,694	100,228	207,612	27.40%	(38.49%)
Total comprehensive income for the period	127,694	100,228	207,612	27.40%	(38.49%)
Profit (Baht per share)	0.24	0.19	0.39	27.40%	(38.49%)

STATEMENT OF COMPREHENSIVE INCOME (Thousand Baht)	9M25	9M24	Inc(Dec)
			9M25 - 9M24
Revenue from sales and services	3,041,992	3,445,233	(11.70%)
Costs of sales and services	2,314,602	2,666,841	(13.21%)
Gross profit	727,390	778,392	(6.55%)
Other income	170,991	196,045	(12.78%)
Selling and distribution expenses	164,472	257,669	(36.17%)
Administrative expenses	219,503	216,650	1.32%
Total expenses	383,975	474,319	(19.05%)
Finance costs	8,989	26,412	(65.97%)
Profit before income tax	505,417	473,706	6.69%
Income tax benefit (income tax expenses)	(24,666)	(21,833)	12.98%
Profit for the period	480,751	451,873	6.39%
Total comprehensive income for the period	480,751	451,873	6.39%
Profit (Baht per share)	0.90	0.84	6.39%

Statement of Cash Flows

STATEMENT OF FINANCIAL POSITION (Thousand Baht)	Jan-Sep 2025	Jan-Sep 2024	Inc(Dec)	
			Thousand Baht	%
Net cash provided from (used in) operating activities	976,297	75,534	900,763	1192.5%
Net cash used in investing activities	(478,274)	(112,342)	(365,932)	325.7%
Net cash provided from financing activities	-574,163	-171,219	(402,944)	235.3%
Net increase (decrease) in cash and cash equivalents	-76,140	(208,027)	131,887	(63.4%)
Cash and cash equivalents at beginning of period	100,657	232,483	(131,826)	(56.7%)
Cash and cash equivalents at end of period	24,517	24,456	61	0.2%

Financial Ratio

Financial Ratio	Q3/25	Q3/24	Q2/25
PROFITABILITY RATIO			
Gross Profit Margin	24.9%	23.2%	27.0%
Net Profit Margin	14.2%	8.2%	17.1%
Return On Equity : ROE	20.7%	20.0%	19.2%
EFFICIENCY RATIO			
Return On Assets : ROA	17.9%	16.9%	15.1%
LIQUIDITY RATIO			
Current Ratio	5.6	2.7	4.2
Quick Ratio	3.1	1.1	2.2
FINANCIAL POLICY RATIO			
Debt to Equity Ratio : D/E	0.2	0.3	0.2
Interest Coverage Ratio	88.0	20.3	84.5
Debt-Service Coverage Ratio	0.4	0.1	0.4

Note:

1. Gross profit margin = Gross profit / Revenue from sales x 100
2. Net profit margin = Profit for the period / Total Income x 100
3. Return on equity = Profit for the period / Total Shareholders' Equity(average) x 100
4. Return on assets = Earnings Before Interest and Taxes (EBIT) / Total assets(average) x 100
5. Current Ratio = Current assets / Current liabilities
6. Quick Ratio = (Cash and cash equivalent + restricted cash + temporary investment + account receivable) / Current liabilities
7. Debt to Equity Ratio = Total Liabilities / Total Shareholders' Equity
8. Interest Coverage Ratio = Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA) / Finance costs
9. Debt-Service Coverage Ratio = (Net profit + Depreciation) / Total Liabilities

Factors Impacting Future Operations and Growth

Although both the global and Thai economies are expected to face uncertainties from various factors in 2025, the Company has been able to maintain its competitive advantage through prudent risk management strategies and a strong revenue structure derived primarily from exports, which account for more than 90% of total revenue. The Company also manages foreign exchange risk through a Natural Hedge strategy by retaining foreign currencies received, such as U.S. dollars, to directly pay for raw materials purchased in the same currency, such as steel. In addition, the Company considers the use of other financial instruments, such as forward currency contracts, depending on market conditions, to mitigate the risks arising from exchange rate volatility driven by multiple global factors.

Another positive factor is the continued decline in the cost of the Company's primary raw material—steel—compared to the prior year. This decline stems from the slowdown in China's economy, particularly in the real estate sector, which has resulted in an oversupply of steel in the global market. The decrease in raw material prices has had a favorable impact on the Company's cost structure, improved production efficiency, and strengthened profitability.

Despite these positive developments, the Company continues to face challenges from volatile freight costs since the second quarter of 2025, as well as changes in U.S. customs tariff policies. Nevertheless, the Company has promptly adapted its strategies by revising its sales and delivery plans in line with market conditions. As a result, in the third quarter of 2025, the proportion of sales under FOB (Free on Board) terms increased compared to the prior period, consistent with a reduction in selling and distribution expenses.

Furthermore, the Company continues to closely monitor international trade policy developments, particularly the U.S. trade relations with its trading partners under the Reciprocal Tariff policy, which has implications for the direction of the global economy. Import tariffs on goods from Thailand have been set at 19%, an effective rate that still allows the Company to remain competitive with domestic producers and maintain its competitiveness in the global market, thereby reinforcing investor confidence.

Sustainability Development

In concurrent with the company’s vision, “To be a global leader in the gas cylinder industry with environmental responsibility for sustainable growth,” the company has incorporated key sustainability issues into its strategic plan and sustainability operations, with significant progress and achievements during the nine months of 2025 as follows:

General Sustainability Operations	For the year 2025, the Company continues to implement plans to maintain consistent performance in sustainability practices. The Company has already submitted the required documentation for the 2025 ESG Rating assessment, and the results are expected to be announced in December 2025.
Environmental Operations	The Carbon Footprint Management Team has developed an action plan and established measures to reduce greenhouse gas emissions, along with setting clear targets. Progress is reported to the management on a quarterly basis, and performance to date remains consistent with the established plan. Furthermore, on March 19, 2025, the Company was awarded the Carbon Footprint for Organization (CFO) certification by the Thailand Greenhouse Gas Management Organization (Public Organization).
Social Operations	The Company has continued to implement its ongoing project to support public hospitals nationwide by providing medical equipment, including the Dinsaw Robot and Dinsaw Mini Robot, along with related medical devices. The initiative aims to assist medical personnel in patient registration processes, in-room patient care, and centralized patient monitoring systems. During the past nine months, the Company has donated Dinsaw Robots to several hospitals, including the University of Phayao Hospital, Phayao Hospital, and Fort Khunchueangthammikkarat Hospital.
Governance and Good Corporate Governance Operations	The Company has been awarded a 5-star “Excellent” rating in good corporate governance for the sixth consecutive year from the Corporate Governance Report of Thai Listed Companies (CGR) 2025. The Company was also ranked within the top 25% (Top Quartile) of all listed companies for the third consecutive year. Additionally, the Company achieved improved scores in several subcategories compared to the prior year, reflecting its continuous development and commitment to corporate governance excellence.