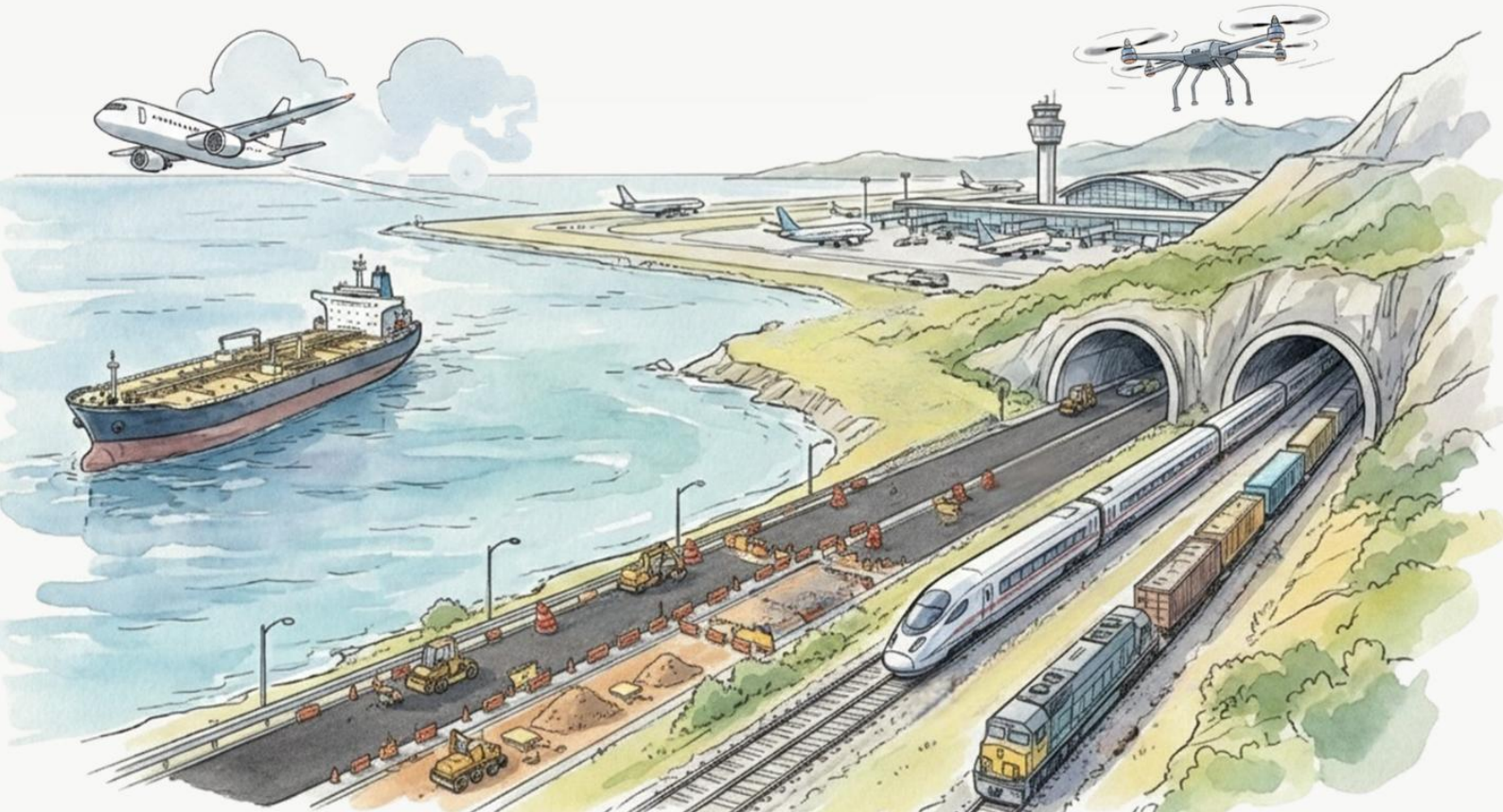
Management Discussion and Analysis (MD&A)

Consolidated Financial Performance for the quarter ended 30 September 2026

Tipco Asphalt Public Company Limited

Vision 2030
To be a trusted partner in mobility infrastructure ecosystems delivering sustainable value through global expertise and shared growth mindset

วิสัยทัศน์ 2573
เราจะเป็นพันธมิตรที่ไว้วางใจได้ในเครือข่ายโครงสร้างพื้นฐานด้านการคมนาคม มุ่งเน้นการส่งมอบคุณค่าอย่างยั่งยืน ด้วยความเชี่ยวชาญในระดับสากล ผ่านแนวคิดการเติบโตร่วมกัน



Tipco Asphalt PLC. ("the Company") would like to report on the performance of the Company and its subsidiaries for the third quarter of 2026, in reference to the audited consolidated financial statements ending 30 September 2026.

Business Overview

In the third quarter of 2026, the Group reported total revenue of THB 9,511 million, an increase of 45.8% from the same quarter of the previous year, and net profit attributable to the Company of THB 447 million, an increase of 148.3% from THB 180 million in Q3 2025. The improved performance was mainly driven by high asphalt selling prices amid limited regional supply, together with higher sales volume in overseas markets, particularly Vietnam and Malaysia, while sales in Thailand declined due to seasonal factors.

During Q3 2026, the Company procured several parcels of Venezuelan crude oil from traders, enabling it to increase production and making the refinery a key source of asphalt supply to the Group, while supply in Thailand and the region remained tight due to the prolonged conflict in the Middle East.

For the nine-month period ended 30 September 2026, the Group reported total revenue of THB 24,754 million, an increase of 22.6% from the same period of the previous year, mainly due to higher asphalt selling prices. Net profit attributable to the Company amounted to THB 1,326 million, an increase of 29.4% supported by the improved performance on asphalt sales. Nevertheless, volatility in non-asphalt product prices partially affected overall performance, resulting in higher losses on commodity price hedging contracts.

Unit: THB Million

	Q3 2026	Q2 2026	Q3 2025	% Change YoY	% Change QoQ	YTD Sep 2026	YTD Sep 2025	% Change YTD
Revenue	**9,511**	7,760	6,521	45.8%	22.6%	**24,754**	20,193	22.6%
Gross Profit	**900**	846	459	96.0%	6.4%	**2,542**	1,912	33.0%
Selling and admin expense	**318**	324	276	15.1%	(2.0%)	**927**	888	4.4%
Net Profit attributable to the Company	**447**	420	180	148.3%	6.3%	**1,326**	1,025	29.4%
EBITDA	**849**	819	526	61.5%	3.7%	**2,520**	2,180	15.6%
Earnings per share (THB)	**0.28**	0.27	0.11	148.3%	6.3%	**0.84**	0.65	29.4%
% Gross profit	**9.5%**	10.9%	7.1%	2.4%	(1.4%)	**10.3%**	9.5%	0.8%
% Selling & admin	**3.4%**	4.2%	4.3%	(1.0%)	(0.9%)	**3.8%**	4.4%	(0.8%)
Sales Volume (million tons)	**0.31**	0.25	0.29	6.3%	20.5%	**0.84**	0.85	(1.1%)

Summary of Business Performance for Q3 2026

Asphalt Business

- **Revenue from sales and services** amounted to THB 8,767 million, an increase of 49.5% from THB 5,865 million in the same quarter of the previous year. The increase was mainly attributable to higher selling prices amid limited regional supply, together with higher sales volume. Asphalt sales volume in Q3 2026 totalled 305 thousand tons, an increase of 6.3% from 287 thousand tons in the same quarter of the previous year, as significant sales growth in Vietnam and Malaysia more than offset lower sales in Thailand due to seasonal factors.

- **Cost of sales and services** amounted to THB 7,524 million, representing 85.8% of revenue from sales and services, compared with 93.4% in the same quarter of 2025. Such costs excluded the impact of the allowance for the diminution in inventory value and gains (losses) from commodity price hedging contracts. The 7.6% improvement in gross margin compared with the same quarter of the previous year was attributable to higher asphalt selling prices in line with rising regional price indices, as well as competitive asphalt costs as the Group's refinery reported high throughput after receiving several parcels of Venezuelan crude oil. In addition, the Company recorded a reversal of the allowance for the diminution in inventory value of THB 4 million, while recording a loss on commodity price hedging contracts of THB 354 million in the current quarter due to volatility in non-asphalt product prices.

Construction Business

- **Revenue from construction contracts** totalled THB 698 million, an increase of 16.5% from THB 599 million in the same quarter of the previous year. Revenue was mainly derived from road construction projects, which increased significantly, while revenue from road maintenance and airport projects declined compared with the same quarter of the previous year.

- **Construction costs** amounted to THB 692 million, equivalent to 99.1% of construction revenue, compared with 77.6% in the same quarter of 2025. As a result, gross profit declined to THB 6 million from THB 134 million, due to higher raw material costs and revised cost estimates for certain construction projects.

Selling Expenses amounted to THB 46 million, representing 0.5% of revenue from sales, services and construction contracts, compared with THB 42 million, or 0.7% of revenue from sales, services and construction contracts, in the same quarter of 2025. The increase in selling expenses was in line with higher sales revenue and sales volume in the quarter.

Administrative Expenses amounted to THB 272 million, representing 2.9% of revenue from sales, services and construction contracts, compared with THB 234 million, or 3.6%, in the same quarter of the previous year. The lower expense-to-revenue ratio reflects the Group's revenue growth and effective cost control.

Net profit attributable to the Company for Q3 2026 amounted to THB 447 million, equivalent to earnings per share of THB 0.28, compared with net profit of THB 180 million, or earnings per share of THB 0.11, in the same quarter of the previous year. The increase in net profit was mainly attributable to the improved performance of the asphalt business, driven by higher average selling prices and sales volume as well as competitive supply costs.

Key financial data

- **As of 30 September 2026, the Company's total assets amounted to THB 26,455 million**, an increase of THB 4,436 million, or 20.1%, from year-end 2025. The increase was mainly attributable to higher trade and other receivables of approximately THB 1,312 million, in line with higher selling prices, and higher inventories of approximately THB 1,175 million resulting from crude oil purchases during the quarter.

- **As of 30 September 2026, the Company's total liabilities amounted to THB 11,471 million**, an increase of THB 3,319 million, or 40.7%, from year-end 2025. The increase was mainly attributable to higher short-term borrowings from financial institutions of approximately THB 1,424 million to support working capital financing and crude oil purchases, as well as an increase of THB 1,200 million in liabilities arising from hedging contracts due to volatility in petroleum product prices.

- **Total shareholders' equity** amounted to THB 14,984 million, an increase of THB 1,116 million, or 8.0%, from year-end 2025, mainly due to higher retained earnings from operating results for the first nine months of the year.

- **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)** for Q3 2026 amounted to THB 849 million, an increase of 61.5% from THB 526 million in the same quarter of the previous year, in line with the Group's improved operating performance.

- **Cash Flow Statement:** For the nine-month period ended 30 September 2026, the Group reported net cash generated from operating activities of THB 241 million, net cash used in investing activities of THB 461 million and net cash generated from financing activities of THB 980 million. In addition, the Group recognized an increase of THB 191 million from foreign currency translation adjustments and foreign currency deposits. The increase in cash was attributable to operating results during the period and higher short-term borrowings from financial institutions to support working capital.

- **Debt-to-Equity Ratio (D/E Ratio)** stood at 0.77 times as of 30 September 2026, up from 0.59 times at year-end 2025, mainly due to short-term borrowings used for working capital financing and increased business activities.

Factors that may impact future operation

The Company continues to closely monitor the conflict in the Middle East, as it may affect raw material supply, production costs, freight costs, and asphalt price levels. In addition, volatility in crude oil and non-asphalt product prices continues to affect the performance of the Group's non-asphalt products and its commodity price hedging contracts.

On the feedstock side, the Venezuelan crude oil procured in Q3 has enhanced supply security and supported production at the Group's refinery. The Company will continue to source suitable and cost-effective crude oil to meet asphalt demand and to manage risks arising from supply uncertainty in the region.

Key Updates on Sustainability

During Q3 2026, the Group continued to advance its sustainability initiatives. The Group's third solar roof project, located at its asphalt plant in Phitsanulok, Thailand, commenced operations during the quarter, contributing to a reduction in Scope 2 greenhouse gas emissions as well as lower electricity costs from grid purchases. In addition, the Company achieved a score of 64 in the 2026 S&P Global Corporate Sustainability Assessment (CSA), up from 54 in 2025, reflecting continued improvement in its sustainability performance.

On 27 October 2026, representatives from the Stock Exchange of Thailand (SET) attended the Company's Sustainable Development and Corporate Governance (SD&CG) Committee meeting to share SET's sustainability direction, as well as the guidance and support available to listed companies.

Furthermore, the Company was rated "Excellent" (5 stars) in the 2026 Corporate Governance Report of Thai Listed Companies (CGR), conducted by the Thai Institute of Directors Association (IOD) with the support of the SET and the Securities and Exchange Commission (SEC). This reflects the Company's commitment to strengthening corporate governance and creating sustainable long-term value.
