

BTW 2569/004
Subject: Management Discussion and Analysis for the Operating Results for the Year 2025 ended December 31, 2025
(Revised 2)
To: Directors and Managers, The Stock Exchange of Thailand
Date: February 27, 2026
Management Discussion and Analysis of Financial Position and Operating Results
Business Overview
Operating results for the year 2025 ended December 31, 2025

Unit : THB Million

	For Year ended			
	31 December 2025	31 December 2024	Change	%
	(Updated)			
Revenue from Fabrication Work	533.61	361.93	171.68	47.43%
Cost of Fabrication Work	531.35	397.54	133.81	33.66%
Gross Profit Margin	2.26	(35.61)	37.88	(106.36%)
<i>% Gross Profit Margin</i>	<i>0.42%</i>	<i>(9.84%)</i>	<i>10.26%</i>	
Other Income	14.47	92.17	(77.70)	(84.30%)
Administrativ Expenses	47.53	54.16	(6.63)	(12.24%)
Profit (loss) from operation activity	(30.80)	2.40	(33.20)	(1,383.13%)
Finance Cost-net	(16.44)	(11.86)	(4.58)	38.63%
Income Tax income (expense)	(55.44)	(36.34)	(19.10)	52.56%
Profit (loss) for the period	(102.68)	(45.80)	(56.88)	124.21%
<i>Item that will never be reclassified subsequently to profit and loss</i>	27.19	2.84	24.35	857.39%
Total comprehensive loss	(75.49)	(45.80)	(29.69)	64.83%
EBITDA	20.85	61.79	(40.95)	(66.26%)

Revenue from manufacturing and services: For the year 2025, it was 533.61 million Baht, an increase of 171.68 million Baht or 47.43% compared to the previous year. This was mainly due to the company recognizing more production revenue in 2025 from carry-over projects from the previous year and new projects during the year.

Cost of manufacturing and services: For the year 2025, it was 531.35 million Baht, an increase of 133.81 million Baht or 33.66% compared to the previous year, as the company recognized more revenue in 2025. Most costs of manufacturing and services consisted of labor costs (Manpower Supply) 111.30 million Baht, subcontractor costs 184.56 million Baht (where labor costs accounted for 55.68% of production costs), and manufacturing overhead 80.26 million Baht.

Other income: For 2025, other income amounted to 14.47 million Baht, a decrease of 77.70 million Baht or 84.30% compared to the previous year. The high base in 2024 was primarily due to a 51.64 million Baht gain from debt restructuring and a 7.79 million Baht gain from the disposal of assets. In contrast, other income for 2025 consisted mainly of revenue from the sale of scrap materials and other miscellaneous items.

Administrative expenses: For 2025, this amounted to 47.53 million baht, a decrease of 6.63 million baht or 12.24% compared to the previous year. This is due to the company's control of office expenses, organizational restructuring, and adapting operations to suit the company's circumstances in 2025 to reduce administrative costs while maintaining operational efficiency. The majority of this decrease, totaling 6.63 million baht, consists of employee expenses, rent, and other services..

Financial costs: For the year 2025, it was 16.44 million Baht, an increase of 4.58 million Baht or 38.63% compared to the previous year, due to the company having increased borrowings and rising interest rates in 2025.

Net loss: For the year 2025, the loss is projected at 102.68 million baht. This is primarily due to the company's total revenue being insufficient to cover administrative expenses, and a 44.00 million baht compensation payment for performance bonds. This resulted from a client order to deliver work before all steel module components were completed, and major project systems such as piping were not fully finished. The company had already collected a 44 million baht advance for this work (as a risk mitigation measure). Subsequently, the project was cancelled, requiring the company to repay the client 44.00 million baht under the project guarantee (the company had a total project guarantee value of 155.45 million baht). Additionally, a 9.80 million baht compensation payment resulted from a lawsuit filed by a subsidiary against a trade debtor. This dispute went to arbitration, resulting in a ruling ordering the company to pay damages, including attorney fees and on-site repair costs. No further liabilities arose from this dispute.

Financial Position

Unit : THB Million

	As at		Change	%
	31 December 2025	31 December 2024 (Updated)		
Total Current Assets	201.21	211.13	(9.92)	(4.70%)
Total Non-Current Assets	401.16	420.17	(19.01)	(4.52%)
Total Assets	602.37	631.30	(28.93)	(4.58%)
Total Current Liabilities	394.23	345.35	48.88	14.15%
Total Non-Current Liabilities	49.44	51.75	(2.31)	(4.46%)
Total Liabilities	443.67	397.10	46.57	11.73%
Total Shareholder's Equity	158.70	234.20	(75.50)	(32.24%)

Financial Position

Assets: The Company has assets of 602.37 million Baht, a decrease of 28.93 million Baht or 4.58% compared to the previous year, as trade and other receivables increased by 11.74 million Baht, inventory decreased by 20 million Baht, and property, plant and equipment decreased by 16.75 million Baht.

Liabilities: The Company has liabilities of 443.67 million Baht, an increase of 46.57 million Baht or 11.73% compared to the previous year. This was due to an increase in short-term loans from financial institutions of 43.87 million Baht, short-term loans from individuals and other parties of 20.97 million Baht, and loans from related parties of 4.6 million Baht, while trade and other payables decreased by 22.95 million Baht.

Shareholders' equity: The Company has shareholders' equity of 158.70 million Baht, a decrease of 75.50 million Baht or 32.24% compared to the previous year, as a result of the loss from 2025 operations.

Financial Ratio

Liquidity Ratios	31 December 2025	31 December 2024 (Updated)
Current Ratio (times)	0.51	0.61
Quick Ratio (times)	0.29	0.28
Activity Ratios	31 December 2025	31 December 2024 (Updated)
Account Receivable Turnover (times)	10.66	5.21
Average Collection Period (days)	34.24	70.07
Account Payable Turnover (times)	3.53	2.55
Average Payment Period (days)	103.41	142.88
Cash Cycle (days)	(16.68)	6.69
Inventory Turnover (times)	6.95	4.59
Inventory Turnover Period (days)	52.49	79.49
Total Assets Turnover (times)	0.89	0.64
Leverage Ratios	31 December 2025	31 December 2024 (Updated)
Interest Coverage Ratio (times)	(2.17)	2.10
Debt / Equity Ratio (times)	2.75	1.68
Profitability Ratios	31 December 2025	31 December 2024 (Updated)
Gross Profit Margin (%)	0.43	(9.84)
Net Profit Margin (%)	(18.77)	(10.16)
Return on Assets or ROA (%)	(16.65)	(6.52)
Return on Equity or ROE (%)	(38.43)	(16.80)

Liquidity ratio: As of December 31, 2025, it decreased from the previous year by 0.1 times because, in 2025, the company had increased debt obligations from current liabilities, specifically an increase in promissory notes from banks.

Interest coverage ability: As of December 31, 2025, it decreased mainly due to the operating loss for the year 2025, which consequently lowered the interest coverage ratio.

Gross profit margin: As of December 31, 2025, it increased from the previous year because, in 2025, the company was able to manage service costs more efficiently.

Value of projects under production (“Backlog”)

Value of projects under production (“Backlog”) as of December 31, 2025, was 62.98 million Baht. The remaining work currently consists mostly of Structural Steel Fabrication, fabrication and assembly of pressure vessels and storage tanks, and piping work, etc. The group of companies expects that the remaining work will be completed within 1 year.

Factors that may affect future operations

Litigation

On June 29, 2022, a subsidiary was sued by a joint venture partner (“Contracting Party”) claiming damages of 50.6 million Baht and the return of a performance bond of 20 million Baht for breach of the joint venture agreement. On July 27, 2022, the subsidiary filed a counter-claim against the Contracting Party for damages of 3.4 million Baht for breach of the joint venture agreement.

On November 25, 2022, and January 18, 2023, the subsidiary and the Contracting Party entered into mediation at the Dispute Mediation Center to settle the dispute. The subsidiary agreed to return the remaining performance bond after deducting the decreased project value, amounting to 14 million Baht, on February 10, 2023, but the subsidiary could not reach an agreement regarding the damage compensation issue.

On April 29, 2024, the subsidiary, its directors, and former persons related to the subsidiary were sued in a criminal case by the same Contracting Party. The Criminal Court scheduled the examination of plaintiff and defendant witnesses in June 2025.

On May 7, 2024, the Civil Court temporarily struck the civil case off the list because the judgment required the facts to be finalized in the criminal case first.

On June 6, 2025, the plaintiff withdrew the criminal lawsuit, and the Criminal Court granted permission to withdraw the case and struck the case off the case list, which has now become final.

The Civil Court scheduled a meeting to bring the civil case back into the judicial process on July 31, 2025.

The Civil Court has scheduled the examination of plaintiff and defendant witnesses on February 25-27, 2026, and March 9, 2026.

Currently, the litigation is not yet final and is under the court's judicial process. The Group’s management and legal advisors assess that the litigation is groundless and the Group will not suffer damages from the case. Therefore, the Group has not recorded a provision for liabilities resulting from the litigation.

Dispute

A subsidiary had a dispute with a trade receivable regarding a claim for the trade receivable to pay a debt of 0.59 million Australian Dollars and 0.61 million US Dollars, while the trade receivable claimed damages from the company for 0.82 million Australian Dollars and 2.21 million US Dollars. The dispute entered the arbitration process, which issued an award for the company to pay damages.

The Company's management has recorded the liability from the dispute during the period in the amount of 9.80 million Baht, scheduled to be paid in 24 installments from April 30, 2025, to May 30, 2027.

Yours sincerely,

Mr. Chotic Russamitinakornkul

Chief Executive Officer (CEO)

BT WEALTH INDUSTRIES COMPANY LIMITED