

The group of company overview

Capital Engineering Network Public Company Limited and its subsidiaries (collectively referred to as the “Group”) reported overall operating results for the first quarter of 2026 that were affected by the transition of overseas telecommunications projects. As a result, revenue from such business declined compared to the same period of the previous year, as several telecommunications equipment installation projects had been completed within a similar timeframe. Nevertheless, the Group expects to begin recognizing revenue from new projects that will gradually replace the completed ones starting from the second quarter of 2026 onwards.

At the same time, QROI Network Services Inc. (QNSI), the Group’s subsidiary in the Philippines, secured new contracts for Operation and Maintenance (O&M) services for telecommunications stations. As a result, the number of telecommunications stations under its management increased to more than 1,300 stations from approximately 700 stations in the previous year. This expansion reflects customers’ confidence in the Company’s capabilities and is expected to be a key factor supporting the growth of recurring income while strengthening the Group’s long-term business stability.

In addition, the Group continues to pursue its investment expansion strategy to enhance revenue streams and diversify business risks. A subsidiary has invested in the acquisition of 100 percent of the total paid-up shares of Imperial Land Co., Ltd. with an investment value of THB 90 million, in order to operate a property rental business under the “Station One” project located in the Yaowarat area. The project is expected to become another business that can generate recurring income and create added value for the Group in the future.

Regarding investment portfolio management, the Group disposed of a portion of its investment in the ordinary shares of EMC Public Company Limited, resulting in the remaining shareholding of 9.88 percent of the total paid-up shares. Such transaction was in line with the Group’s investment structure management strategy and financial resource allocation plan to enhance operational efficiency.

Overview of the Group’s Operating Results for the First Quarter of 2026

The operating results of Capital Engineering Network Public Company Limited and its subsidiaries (collectively referred to as the “Group”) for the first quarter of 2026 reported a net loss of THB 98.76 million, increasing from the net loss recorded in the same period of the previous year by THB 4.02 million, or 4.24 percent. The main factors were the decline in revenue from the overseas telecommunications business due to the gradual completion of several telecommunications equipment installation projects during the same period, together with the recognition of costs and expenses related to the Group’s business operations and investments.

During the quarter, the Group recorded a gross profit from operations of THB 1.80 million, decreasing by THB 12.83 million from the same period of the previous year, reflecting the slowdown in revenue from project-based operations in certain business segments. Nevertheless, the Group expects its operating performance to improve from the recognition of revenue from new projects in the following quarter, together with the expansion of Operation and Maintenance (O&M) services for telecommunications stations by its overseas subsidiary, which will help support a more recurring and stable revenue stream.

For the portion attributable to the parent company, the Group recognized a net loss attributable to owners of the parent amounting to THB 73.17 million, equivalent to a loss per share of THB 0.10 per share. Meanwhile, the separate financial statements reported a net loss of THB 36.53 million, equivalent to a net loss per share of THB 0.05 per share.

Details of the operating results can be summarized as follows:

Revenue

1. Revenue from sales

Revenue from steel wire sales (RWI) decreased from the same period of the previous year. The Company recorded revenue from product sales of THB 104.59 million, representing a decrease of THB 18.18 million, or 14.80 percent, compared to revenue from product sales of THB 122.77 million in the same period last year. The decline in revenue was mainly attributable to lower sales volume together with a decrease in selling prices in line with the continued volatility in the global steel market. In addition, global supply and demand conditions, as well as pricing pressure from imported products, continued to significantly affect domestic selling prices.

Revenue from electricity and thermal energy sales (ENESOL) decreased by more than 21 percent from the same period of the previous year, primarily due to the maintenance shutdown of major machinery, resulting in lower operating capacity compared to the same quarter last year.

In addition, revenue from industrial product sales (STOWER) amounted to THB 0.49 million, decreasing from the previous year.

2. Revenue from Project Work and Services

The subsidiary (STOWER) recorded total revenue from sales and services amounting to THB 36.73 million. Revenue generated from domestic operations amounted to THB 11.63 million, representing 31.66 percent of total revenue, while revenue from the telecommunications business in the Philippines amounted to THB 25.10 million, representing 68.34 percent of total revenue.

Overall revenue decreased by THB 21.92 million, or 37.38 percent, compared to the same quarter of the previous year. The decrease was mainly attributable to a decline in revenue from the electricity and telecommunications business by 48.40 percent, together with a decrease in revenue from the overseas telecommunications business by 30.71 percent.

The decline in revenue from the domestic electricity and telecommunications business was mainly due to the absence of new projects following the postponement of government bidding for high-voltage transmission towers and substation structure projects. Nevertheless, the Company continues to maintain its substation projects, galvanizing services, and fabrication works, which are being managed efficiently. In addition, the Company has prepared its personnel, machinery, and financial liquidity to support future projects and is ready to commence operations immediately should the government resume project bidding as planned in 2026.

Revenue from the overseas telecommunications business decreased due to the completion of several telecommunications equipment installation projects during the same period. However, new projects are expected to commence and gradually replace the completed projects starting in the second quarter.

In addition, QROI Network Services Inc. (QNSI) has secured new Operation and Maintenance (O&M) contracts for telecommunications stations, resulting in an increase in the number of telecommunications stations under its management to more than 1,300 stations from approximately 700 stations in the previous year. This expansion is expected to significantly support the Company's future revenue growth.

3. Other Revenue

Other income from the revenue sale of scrap materials, interest income, and miscellaneous income.

Expenses

The Group recorded total expenses of THB 280.28 million, representing a decrease of THB 51.86 million, or 15.61 percent, compared to total expenses of THB 332.14 million in the same period of 2025.

1. Cost of Goods Sold and Cost of Project Work

Cost of sales and services amounted to THB 176.95 million, decreasing by THB 37.26 million, or 17.39 percent, compared to THB 214.21 million in the same period of the previous year. The decrease was mainly attributable to lower sales volume, resulting in a corresponding reduction in variable costs in line with revenue. In addition, the telecommunications business group was able to manage its operating costs more efficiently, resulting in a decrease in selling expenses by only 13.64 percent.

Furthermore, the Group effectively managed and controlled transportation costs within the prescribed budget, despite ongoing pressure from global uncertainties and international conflicts.

2. Administrative expenses

Administrative expenses for the first quarter of 2026 decreased by THB 3.87 million compared to the same quarter of the previous year. The decrease was mainly attributable to the subsidiary's organizational restructuring and personnel optimization initiatives, with a focus on developing and enhancing the capabilities of existing employees to improve operational efficiency and align with the current business environment.

This reflects the effectiveness of the Group's cost management policy and its continuous implementation of expense control measures.

3. Financial costs

The company's financial costs primarily from interest expenses on loans from financial institutions. However, through more effective debt management compared to the previous year, The Company successfully reduced its financial costs, even under a rising interest rate environment by 26.84% compared to the same quarter in 2024.

Financial Position

Statement of Financial Position	31 Mar 2026	%	31 Dec 2025	%	Increased (Decreased)	%
Current Assets	1,213.73	51%	1,425.02	57%	(211.29)	(14.83)
Non-Current Assets	1,183.68	49%	1,082.41	43%	101.27	9.36
Total Assets	2,397.41	100%	2,507.43	100%	(110.02)	(4.39)
Current Liabilities	156.33	6%	205.59	8%	(49.26)	(23.96)
Non-Current Liabilities	234.91	10%	211.51	9%	23.40	11.06
Total Liabilities	391.24	16%	417.10	17%	(25.86)	(6.20)
Shareholders' Equity of Company	1,176.56	49%	1,268.70	51%	(92.14)	(7.26)
Shareholder's Equity of NC	829.61	35%	821.63	33%	7.98	0.97
Total Shareholders' Equity	2,006.17	84%	2,090.33	83%	(84.16)	(4.03)
Total Liabilities and Shareholders' Equity	2,397.41	100%	2,507.43	100%	(110.02)	(4.39)

➤ **Asset**

As of 31 March 2026, the Group's total assets amounted to THB 2,397.41 million, decreasing by THB 110.02 million, or 4.39 percent, compared to 2025. The decrease in total assets was mainly attributable to a reduction in other current financial assets resulting from the decline in the market value of equity instrument investments in line with capital market mechanisms and the continued volatility of economic conditions.

➤ **Liabilities**

As of 31 March 2026, the Group's total liabilities amounted to THB 391.24 million, representing a decrease of 6.20 percent. The decrease was mainly attributable to a subsidiary's effective management without utilizing credit facilities for raw material purchases, while another subsidiary recorded a reversal of other current liabilities related to the maintenance of major machinery.

➤ **Shareholders' Equity**

As of 31 March 2026, the Company's shareholders' equity amounted to THB 1,176.56 million, decreasing by THB 92.14 million, or 7.26 percent, compared to THB 1,268.70 million as of 31 December 2025. The decrease was primarily due to the recognition of operating losses during the period.

Financial Ratio

Financial Ratio Highlights	Q1/2026	Y2025	Q1/2025
Current Ratio	7.76	6.93	9.18
Debt to Equity Ratio (D/E Ratio)	0.20	0.20	0.19
Return on Assets (ROA)	(3.05%)	(8.56%)	(0.24%)
Return on Equity (ROE)	(6.22%)	(16.93%)	(0.48%)
Book Value Per Share **	1.58	1.70	1.90

**Calculated by the number of paid-up registered ordinary shares of the Company in the amount of 745,161,919 shares.

Based on its latest financial position, the Group continues to demonstrate strong financial strength and outstanding liquidity, with a current ratio of 7.76 times, reflecting its effective management of current assets. At the same time, the Group has maintained a low level of financial risk, with a debt-to-equity (D/E) ratio of only 0.20 times.

These factors reflect the Group's financial stability and cash flow generation capability, enabling the Group to confidently support its business operations in line with its strategic plans, while also providing sufficient readiness and capability to pursue future investment opportunities.

Yours sincerely,

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