

May 15, 2026

Subject: Management Discussion and Analysis for the three-month period ended March 31, 2026

Attention: President

The Stock Exchange of Thailand

## 1. Business Overview

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CH. Karnchang Public Company Limited operates its core business of two categories, namely, (1) the construction business; and (2) the regional basic infrastructure investment and development business, as well as establishing the long-term goals to strengthen the synergy towards sustainability to ensure stable and sustainable growth of the Company's business operations. With upholding the resolve and principles of operation that guide it in choosing to undertake projects that are absolutely dedicated to benefit the society and country to ensure an improved quality of life in all spheres while also taking community, social, and environmental responsibility as well as generating the highest returns ; as a result, The Company is becoming the region's leading light in high-quality, fully integrated infrastructure development and construction business. The construction industry which is gradually recovering, with its trend continually growing in line with the anticipated increase in the overall investment value in construction.

### Significant Events in 1Q2026

#### Company Rating and Issue Rating of CH.Karnchang Public Company Limited

On 30 March 2026, TRIS Rating Co., Ltd. TRIS Rating affirms the company rating and the ratings on its outstanding senior unsecured debentures at "A-" with a "stable" rating outlook.

#### Approval of Dividend Payment from the 2025 Operating Results

On 26 February 2026, the 2026 Annual General Meeting of the Company's shareholders approved the dividend payment from the Company's operational results for the year 2025 of Baht 0.45 per share, totaling not exceeding Baht 756 million such dividend would be distributed from the Company's net profit and retained earnings , when combined with the interim dividend payment for the first half of 2025 at a rate of Baht 0.20 per share. In this regard, the record date was on March 12, 2026 for the right to receive dividend payment for the second half of 2025 at the rate of Baht 0.25 per share in a total amount not exceeding Baht 420 million and the dividend payment is scheduled to be made on April 28, 2026 .

## 2. Analysis of Operating Results

The Company had the consolidated operating result and financial position for the three-month period ended March 31, 2026 as follows:

Description  Unit: Million Baht	For the three-month period ended		Change	
	March 31,2026	March 31,2025	Amount	%
Revenues from construction contracts	12,163.29	11,899.60	263.69	2.22
Other income	155.33	211.21	(55.88)	(26.46)
Total revenues	12,318.62	12,110.81	207.81	1.72
Cost of construction services	11,260.30	10,978.59	281.71	2.57
Administrative expenses	577.37	556.06	21.31	3.83
Total expenses	11,837.67	11,534.65	303.02	2.63
Operating profit	480.95	576.16	(95.21)	(16.52)
Share of profit from investments in associated companies	295.61	266.59	29.02	10.89
Finance cost	415.60	506.80	(91.20)	(18.00)
Income tax expenses	26.21	35.19	(8.98)	(25.52)
Profit for the period	334.75	300.76	33.99	11.30
Profit attributable to non-controlling interests of the subsidiaries	5.63	18.52	(12.89)	(69.60)
Profit attributable to equity holders of the Company	329.12	282.24	46.88	16.61

**Net profit attributable to equity holders of the Company amounting to Baht 329 million, an increase of Baht 47 million as compared to the same period of the previous year.**

Performance for the three-month period ended March 31, 2026, the Company and its subsidiaries had net profit attributable to equity holders of the Company amounting to Baht 329 million, an increase of Baht 47 million or 16.61% as compared to the same period of the previous year. This was mainly due to the increase by result of the increase by revenues construction contracts. In addition, growth is boosted by increased profit sharing from investments in associated companies .

**Revenues from construction contracts of Baht 12,163 million, an increase of Baht 264 million from the same period of the previous year.**

Performance for the three-month period ended March 31 ,2026, the Company and its subsidiaries reported revenues from construction contracts of Baht 12,163 million, representing 98.74% of total revenues, an increase of Baht 264 million or 2.22% as compared from the same period of the previous year. Which is in line with the core business , as the Company and its subsidiaries have the progress of construction revenue is recognized progressively from multiple construction contracts, such as The Luang Prabang Hydroelectric Power Project and the Construction Project of the MRT Purple Line: Tao Poon - Rat Burana Section and the Construction of the Railway Project, Den Chai-Chiang Rai-Chiang Khong and this should be supported by Civil revenue from construction and M&E works on The Construction Project of the MRT Orange Line, Upgrade works MRT systems of the MRT Blue Line Project which operation are in accordance with the construction plans,While many construction projects are gradually recognizing revenue and nearing completion, namely the Construction Project of Water Transmission Tunnels Bangmod-Samrong, the Construction Project of the Bang Ban - Bang Sai Flood.

**Cost of construction services amounting to Baht 11,260 million, an increase by Baht 282 million from the same period of the previous year.**

Performance for the three-month period ended March 31 ,2026, the Company and its subsidiaries registered cost of construction services amounting to Baht 11,260 million, an increase by Baht 282 million or 2.57% from the same period of the prior year in line with the progress of various construction projects. However, construction costs increased at a higher rate than revenue from construction contracts, resulting in a decrease in gross profit of Baht 18 million, or 1.96% and The Company and its subsidiaries have the progress of construction, while gross profit margin an decrease from 7.74% to 7.42% compared to the same period of the previous year.

**Administrative Expenses amounted to Baht 577 million, an increase by Baht 21 million from the same period of the previous year.**

Performance for the three-month period ended March 31 ,2026, the Company and its subsidiaries had administrative expenses of Baht 577 million, up by Baht 21 million or 3.83% from the same period of the previous year from increased expenses due to the acceleration of work and employee-related expenses.

**Share of profit from investments in associated companies of Baht 296 million, an increase by Baht 29 million from the same period of the previous year.**

Performance for the three-month period ended March 31 ,2026, the Company and its subsidiaries had share of profit from investments in associated companies of Baht 296 million, an increase by Baht 29 million or 10.89% from the same period of the previous year. The mainly came from Bangkok Expressway and Metro Public Company Limited have service revenues to increase in toll revenue and farebox revenue ,while revenue from commercial development business declined due to the slowing economy and CK Power Public Company Limited recognized increase in share of core net profit

from the investment in XPCL from higher electricity sales together with NN2's higher revenue from electricity sales following higher sales volume and lower finance costs.

**Finance cost amounted to Baht 416 million and Net-Debt-to-Equity ratio was 1.04 times.** Performance for the three-month period ended March 31, 2026, the Company and its subsidiaries had finance cost amount Baht 416 million, a decreased by Baht 91 million from the same period of last year due to long-term loan repayments and debenture redemptions. Net-Debt-to-Equity ratio according to the Company's consolidated financial statement was 1.04 times, decreased from the end of prior year which was 1.32 times. Still, the ratio did not exceed 3.00 times, which is the covenant for bank loans and debentures.

Financial Position Unit: Million Baht	March 31, 2026	December 31, 2025	Change	
			Amount	%
Assets	114,817.78	117,075.47	(2,257.69)	(1.93)
Liabilities	85,510.41	88,384.43	(2,874.02)	(3.25)
Shareholders' equity	29,307.37	28,691.04	616.33	2.15

**Total Assets amounted to Baht 114,818 million, decreased by Baht 2,258 million from the end of 2025.** As of March 31, 2026, the Company and its subsidiaries had total assets of Baht 114,818 million, decreased by Baht 2,258 million from the end of 2025 was primarily due to a decrease in loans to associate companies.

**Total liabilities amounted to Baht 85,510 million, decreased by Baht 2,874 million from the end of 2025.** As of March 31, 2026, the Company and its subsidiaries had total liabilities amounted to Baht 85,510 million, decreased by Baht 2,874 million from the end of 2025 mainly due a decrease in long-term loans and debentures.

**Total shareholders' equity amounted to Baht 29,307 million, increased by Baht 616 million from the end of 2025.** As of March 31, 2026, the Company and its subsidiaries had total shareholders' equity amounted to Baht 29,307 million, increased by Baht 616 million from the end of 2025, primarily driven by the operating results of 1Q2026 and the adjustment of financial assets in fair value.

Cash flow : Description for the three-month period ended March 31, 2026	Unit : Million Baht
Net cash flows from operating activities	3,796.42
Net cash flows from investing activities	3,541.81
Net cash flows used in financing activities	(5,290.54)
Effect of exchange rate changes on cash and cash equivalents	35.83
Net increase in cash and cash equivalents	2,083.53

**Net cash flows from operating activities of Baht 3,796 million, Net cash flows from investing activities of Baht 3,542 million, Net cash flows used in financing activities of Baht 5,291 million.**

For the first three months of 2026, the Company and its subsidiaries had net cash flows from operating activities of Baht 3,796 million, primarily from the operating cash flows of the Company and its subsidiaries. Net cash flows from investing activities to Baht 3,542 million, mainly from the repayment of long-term loans to associate , partially offset payin for shares in Luang Prabang Power Company Limited and the purchase of fixed assets. Net cash flows used in financing activities to Baht 5,291 million, mainly for the repayment of financial institutions loan's principal, the redemption of debentures. As a result, net cash increased by Baht 2,084 million from the beginning balance. As of March 31, 2026, the Company and its subsidiaries had cash and cash equivalents of Baht 11,853 million.

#### Significant Financial Ratios

<u>Liquidity Ratio</u>	March 31,2026	December 31,2025	Changes
1. Current Ratio	0.88	1.01	(0.13)
2. Quick Ratio	0.35	0.33	0.02
<u>Leverage Ratios</u>			
3. Net Interest-bearing Debt to Total Shareholders' Equity Ratio	1.04	1.32	(0.28)
4. Interest Coverage Ratio	3.09	2.20	0.89

	March 31,2026	March 31,2025	Changes
<u>Profitability Ratios</u>			
1. Gross Profit Margin	7.42%	7.74%	(0.32)%
2. Net Profit Margin	2.67%	2.33%	0.34%
3. Return on Equity Ratio	19.71%	14.81%	4.90%
4. Earnings per share (Baht)	0.20	0.17	0.03
<u>Efficiency Ratio</u>			
5. Return on Fixed Assets	39.66%	21.53%	18.13%

Please be informed accordingly.

Sincerely yours

(Mr. Nattawut Trivisvavet and Mr. Anukool Tuntimas)

Directors