GUNKUL

not only the energy, we care

Management Discussion and Analysis (MD&A)

For the 1st Quarter of 2026

Gunkul Engineering Public Company

INCLUSIVE GROWTH ENGINEERED

Executive Summary

In the first quarter of 2026, Gunkul Engineering Public Company Limited (the "Company" or "GUNKUL") delivered strong operating performance, reporting net profit of THB 455.78 million, representing an increase of 23.95% compared to the same period last year. Total revenue amounted to THB 2,586.50 million, significantly increasing by 25.07% year-on-year.

The key supporting factor was the substantial growth in the Construction and Rendering of Services business, which recorded a remarkable revenue increase of 102.06% driven by the delivery of private-sector solar projects. Coupled with efficient cost management, the gross profit margin of this segment significantly improved to 21.90%.

In addition, the Company benefited from gains on foreign exchange and fair value changes of derivative instruments, together with effective capital structure management, resulting in a 20.75% reduction in finance costs.

Revenue from the solar power generation business also improved, while the share of profit from wind power temporarily declined due to seasonal natural factors, particularly lower wind speeds. However, in the second quarter, wind power performance rebounded strongly with approximately 65% growth following the arrival of the monsoon season in April.

Regarding the Trading and Construction businesses, GUNKUL currently maintains a backlog of more than THB 4.6 billion. For the second quarter, revenue is expected to remain at no less than the level achieved in the first quarter, supported by construction progress in line with project schedules.

Furthermore, the Company plans to gradually commence commercial operations of renewable energy projects with a total capacity of 832.4 MW starting from the end of 2026 onward. The Company is also preparing to recognize additional revenue from 170 MW power generation projects in the fourth quarter.

At the same time, GUNKUL is well-positioned to finalize additional power purchase agreements totaling 319 MW, which are expected to reach formal agreements within the second quarter of 2026. These developments are anticipated to further strengthen the Company's sustainable long-term growth in core operating profit.

.

Growth Direction and Future Targets

GUNKUL is advancing toward its strategic vision of becoming a "fully integrated energy and digital infrastructure developer," supported by a portfolio of key projects that will drive future growth. These include:

- Power plant projects currently under construction and development with a total capacity of more than 832 megawatts (MW), which are scheduled to commence commercial operation (COD) and begin revenue recognition from 2026 onward. When combined with projects with an additional capacity of 319 MW that are pending the execution of Power Purchase Agreements (PPAs), the Company's total secured capacity will increase to 1,151 MW. The gradual recognition of revenue from all of the aforementioned projects, together with a significant increase in share of profit from investments, will be a key driver supporting substantial growth in the Company's operating performance and net profit, while also supporting the sustainable expansion of the clean energy business in the future.
- With respect to the New S-curve businesses, based on statistics of investment promotion applications submitted to the Board of Investment (BOI), investment in the Data Center sector in 2025 reached a total value of approximately 800,000 million Baht. Of this amount, a significant portion represents areas in which GUNKUL has strong participation potential, including approximately 45,000 million Baht in substation construction works, as well as approximately 75,000 million Baht in low-voltage electrical equipment systems, which are the Company's core areas of expertise. In addition, there are government projects for the development of power transmission and distribution systems in the Eastern Economic Corridor (EEC) area, with a total value exceeding 70,500 million Baht, to support the increasing electricity demand driven by Data Center investments. This represents another important opportunity for GUNKUL to continuously participate in project development.

Accordingly, the expansion of the ecosystem into the Data Center business represents an extension of GUNKUL's strengths as a fully integrated green energy provider, covering power generation systems, substations, transmission systems, as well as low-voltage and highvoltage electrical materials and equipment. The Company is capable of managing both external and internal project works comprehensively. It can be said that the Company oversees operations from energy infrastructure to internal power utilization systems within Data Center projects, including Direct Power Purchase Agreement (Direct PPA) connectivity, which is a key factor in supporting the direct use of clean energy within such projects.

- In addition to expanding its domestic business base, the Company is continuously expanding investment opportunities overseas, particularly in the Philippines, which is a market with high growth potential due to the government's policy allowing foreign investors to hold 100% ownership in renewable energy projects, together with the increasing demand for clean energy in line with the Philippines' national energy plan.
- The Company is establishing a solid foundation for growth in alignment with global energy trends and government policies, particularly Thailand's new Power Development Plan (PDP 2026), which aims to increase the proportion of renewable energy to more than 50% in order to achieve the Net Zero target by 2050. This represents a significant opportunity for the Company to accelerate the development of clean energy projects.

The Company has prepared an equity investment budget of not less than 40,000 million Baht over the next five years, utilizing cash flow from operations and available financial instruments to drive new businesses while maintaining an appropriate capital structure.

Overview of Operating Results for the First Quarter Ended 31 March 2026 and 2025

Important Financial Information (Unit : Million Baht)	1st Quarter	1st Quarter	Change	
	2026	2025	Amount	%
Revenue from sale of electricity (Power Business)	577.22	579.67	(2.45)	(0.42%)
Revenue from construction and rendering of services (Construction & Service)	1,361.41	673.75	687.66	102.06%
Revenue from sale (Manufacturing Business)	442.98	464.12	(21.14)	(4.55%)
Revenue from sale of assets under finance lease	58.87	260.59	(201.72)	(77.41%)
Interest income from finance lease	97.97	92.32	5.65	6.12%
Gain (Loss) from net foreign exchange	4.80	(28.64)	33.44	116.76%
Gain (Loss) from Changes in Fair Value of Derivatives	22.73	1.60	21.13	1,320.63%

Important Financial Information (Unit : Million Baht)	1st Quarter 2026	1st Quarter 2025	Change Amount	Change %
Other revenue	20.52	24.57	(4.05)	(16.48%)
Total revenue	2,586.50	2,067.98	518.52	25.07%
Cost of sales and rendering of services	(1,748.12)	(1,439.43)	(308.69)	(21.45%)
Selling and administrative expenses	(308.49)	(276.81)	(31.68)	(11.44%)
Total expenses	(2,058.21)	(1,716.24)	(341.97)	(19.93%)
Share of profits from investments in associates and joint ventures	150.25	246.52	(96.27)	(39.05%)
- Share of profits from investments in associates and joint ventures	167.02	246.52	(79.50)	(32.25%)
- Foreign exchange and derivative instrument items unrelated to the core operations of the joint ventures (Non-operational items)	(16.77)	-	(16.77)	(100%)
Finance costs	(136.20)	(171.87)	35.67	20.75%
Income tax expenses	(88.16)	(58.68)	(29.48)	(50.24%)
Profit for the period	455.78	367.71	88.07	23.95%
Net profit of the parent company	455.76	366.97	88.79	24.20%
Basic earnings per share (baht per share)	0.05	0.04	0.01	25.00%
Profit from normal operations (Core Profit)*	445.02	394.75	50.27	12.73%

* Profit from operations is calculated based on profit for the period, excluding (loss) gain from net foreign exchange, (loss) gain from changes in fair value of derivatives, and gain from bargain purchase, which is considered a one-time item.

Profit for the Period

Gunkul Engineering Public Company Limited reported overall operating results for the first quarter ended 31 March 2026 with net profit attributable to equity holders of the parent amounting to THB 455.76 million, compared to net profit of THB 366.97 million for the same period of the previous year, representing an increase of THB 88.79 million or 24.20%.

The Company's operating performance for the first quarter ended 31 March 2026 improved significantly in line with the growth of its core businesses, particularly the Construction business segment, which recorded substantial revenue growth from solar power construction projects for private-sector customers. In addition, effective cost management contributed to a notable improvement in gross profit margin.

Furthermore, the Company effectively managed its finance costs and mitigated the impacts arising from fluctuations in foreign exchange rates and interest rates, resulting in significant increases in gains on foreign exchange and gains from changes in fair value of derivative instruments.

In terms of core operating profit ("Core Profit"), excluding net foreign exchange gain (loss), gain (loss) from changes in fair value of derivative instruments, and gain on bargain purchase, which are considered one-time items, the Company reported net profit of THB 445.02 million, compared to net profit of THB 394.75 million for the same period last year, representing an increase of THB 50.27 million or 12.73%.

Total Revenue

The Company's total revenue for the first quarter ended 31 March 2026 amounted to THB 2,586.50 million, compared to THB 2,067.98 million for the same period of the previous year, representing an increase of THB 518.52 million or 25.07%. The details of revenue by business segment are summarized as follows:

Revenue from Sale of Electricity

Revenue from electricity sales presented in the consolidated financial statements for the first quarter ended 31 March 2026 amounted to THB 577.22 million, compared to THB 579.67 million for the same period of the previous year, representing a decrease of THB 2.45 million or 0.42%.

Table Showing Revenue from Sales of Solar Power – Domestic and Overseas

Revenue (Unit : Million Baht)	1st Quarter	1st Quarter	Change	
	2026	2025	Amount	%
Revenue from Sales of Solar Power	577.22	579.67	(2.45)	(0.42%)
- Domestic	287.78	276.22	11.56	4.19%
- Overseas	289.44	303.45	(14.01)	(4.62%)

Revenue from domestic solar power sales for the first quarter ended 31 March 2026 amounted to THB 287.78 million, compared to THB 276.22 million for the same period of the previous year, representing an increase of THB 11.56 million or 4.19%. The increase was mainly attributable to the strong and efficient electricity generation performance of the Company's domestic solar power plants.

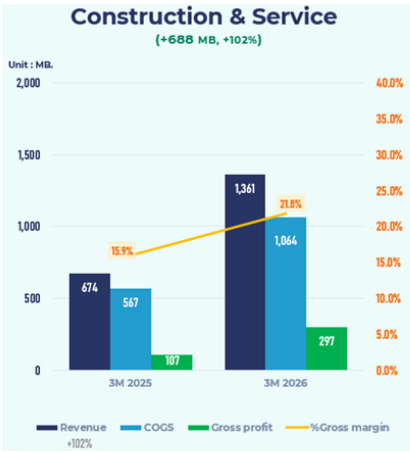
Revenue from overseas solar power sales for the first quarter ended 31 March 2026 amounted to THB 289.44 million, compared to THB 303.45 million for the same period of the previous year, representing a decrease of THB 14.01 million or 4.62%. The primary factor was foreign exchange rate fluctuations, which affected the value of revenue when translated into Thai Baht. Nevertheless, the electricity generation volume and operational performance of the projects remained efficient and in line with the Company's plans.

For revenue and profit from wind power generation, for the first quarter ended 31 March 2026, all three wind power projects with a total installed capacity of 170 MW were recognized using the Equity Method. Accordingly, the Company recorded such items under the share of profit from associates and joint ventures based on its 50% shareholding proportion. Therefore, revenue from wind power projects is not presented as revenue from electricity sales but is reflected in the consolidated financial statements under share of profit from associates and joint ventures accounted for using the equity method.

In addition, the Company has been selected under the Energy Regulatory Commission's ("ERC") announcement regarding the procurement of electricity generated from renewable energy under the Feed-in Tariff (FiT) scheme for 2022–2030 for the non-fuel cost category. The Company secured 17 projects with a total capacity of 832.4 MW. At present, the Company has completed the execution of all power purchase agreements for such projects.

These projects are currently under construction and development, and are expected to gradually commence revenue recognition from the end of 2026 onward. This is anticipated to significantly enhance the Company's operating profit from clean energy power generation in the future.

Revenue from Construction and Rendering of Services



Revenue from Construction and Rendering of Services, as presented in the consolidated financial statements for the first quarter ended 31 March 2026, amounted to THB 1,361.41 million, compared to THB 673.75 million for the same period of the previous year, representing an increase of THB 687.66 million or 102.06%.

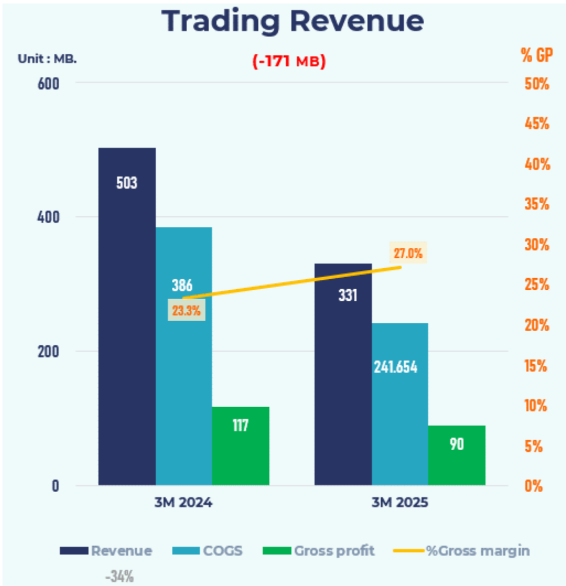
The significant increase was primarily attributable to the progressive recognition of revenue from several large-scale solar power plant construction projects for private-sector customers, in accordance with the percentage of completion method. The revenue growth in this period reflects the Company's effective project management capabilities and its ability to control construction schedules in line with project plans agreed with customers.

The increase in revenue during this year was mainly driven by project timing and the timing of revenue recognition, and does not necessarily reflect a structural change in the Company's business potential. As of present, the Company has a backlog of approximately THB 3.0 billion from construction services and electrical equipment supply businesses, which is expected to be gradually recognized as revenue during 2026–2027.

Such backlog reflects the continuity of business opportunities, customer confidence, and the Company's competitiveness, and will serve as a stable revenue base supporting sustainable growth in the periods ahead.

In terms of gross profit margin ("GPM"), the margin improved significantly from 16.0% to 21.9%, reflecting efficient project cost management, the Company's engineering expertise in creating added value for projects, and stringent control over on-site operating expenses, resulting in improved profitability for the Company.

Revenue from the Manufacturing and Distribution of Electrical Equipment



Revenue from the Manufacturing and Trading business segment, as presented in the consolidated financial statements for the first quarter ended 31 March 2026, amounted to THB 442.98 million, decreasing from THB 464.12 million in the same period of the previous year by THB 21.14 million, or 4.55%.

The decrease was primarily attributable to delays in government budget disbursement, which resulted in the postponement of certain infrastructure and electrical system investment projects. However, the business outlook from the second quarter of 2026 onward is expected to improve following greater clarity in government administration and increasing public-sector budget allocation, together with accelerated investment plans in infrastructure and energy projects, which are anticipated to support growth in the Company's sales.

In addition, the Company currently maintains a backlog awaiting delivery of no less than THB 1.5 billion, which is expected to be gradually recognized as revenue from 2026 onward.

Furthermore, in late 2025, the Company was appointed as a distributor of inverter and battery solution equipment from a leading global manufacturer. This appointment is expected to strengthen the Company's product portfolio, enhance its competitiveness, and serve as an additional supporting factor for sales growth from 2026 onward, beyond the Company's existing core product sales base.

Revenue from Sale of Assets under Finance Lease

Revenue from sales of assets under finance lease agreements is derived from solar rooftop power generation projects for private-sector customers (Private PPA Solar Rooftop) under long-term contracts ranging from 10–25 years, which are accounted for in accordance with Thai Financial Reporting Standard No. 16 (TFRS 16).

For the first quarter ended 31 March 2026, the Company recorded revenue from this business segment of THB 58.87 million, decreasing from THB 260.59 million in the same period of the previous year by THB 201.72 million, or 77.41%.

The significant decrease was primarily attributable to the recognition of revenue in the previous year from large-scale projects for private-sector retail customers with multiple branches, which commenced operations and recognized revenue during such period. Accordingly, the change in revenue was mainly due to the structure and timing of revenue recognition for each project and does not reflect a decline in market demand.

In 2026, the Company expects to recognize additional revenue from several solar rooftop projects for private-sector customers, which are currently under installation and development.

In addition, the Company has expanded its investment into Battery Energy Storage Systems ("BESS") to enhance energy management efficiency and strengthen the stability of electricity supply. The integration of BESS technology with clean energy projects will not only support long-term revenue generation and stable recurring income, but also serve as a key mechanism to enhance the Company's competitiveness and support sustainable growth as a leader in the future clean energy business.

Interest Income from Finance Lease

Interest income under finance lease agreements, as presented in the consolidated financial statements for the first quarter ended 31 March 2026, amounted to THB 97.97 million, compared to THB 92.32 million for the same period of the previous year, representing an increase of THB 5.65 million or 6.12%.

This income was generated from Private PPA Solar Rooftop projects for private-sector customers, for which the Company currently has projects in operation with a total installed capacity of 188 MW. The increase reflects the expansion of assets under finance lease agreements and the continued recognition of income over the long-term contractual periods.

The Company expects interest income under finance lease agreements to continue increasing in the future, in line with the expansion of Private PPA Solar Rooftop projects and the growth in revenue from sales of assets under finance lease agreements.

Gain (Loss) from net foreign exchange

Foreign exchange gain for the first quarter ended 31 March 2026 amounted to THB 4.80 million, compared to a foreign exchange loss of THB 28.64 million in the same period of the previous year, representing an increase of THB 33.44 million or 116.76%.

Such gain arose from the settlement of foreign currency-denominated liabilities, including unrealized gains resulting from the translation of foreign currency-denominated loans at the end of each reporting period.

The primary factor was attributable to the foreign exchange translation of loan liabilities relating to solar power plant projects in Vietnam, which are denominated in U.S. Dollars, while the Vietnamese Dong weakened against the U.S. Dollar during the period.

Gain from Changes in Fair Value of Derivatives

Gain from changes in fair value of derivative instruments, as presented in the consolidated financial statements for the first quarter ended 31 March 2026, amounted to THB 22.73 million, compared to a gain of THB 1.60 million in the same period of the previous year, representing an increase in gain of THB 21.13 million or 1,320.63%.

The gain recognized during this period arose solely from fair value changes of Cross Currency Swap agreements and Forward Contracts.

Meanwhile, the accounting fair value impacts arising from Interest Rate Swap agreements were not recognized in the statement of profit or loss, as the Company has applied Hedge Accounting in order to mitigate volatility resulting from uncontrollable market conditions. This accounting treatment allows the financial statements to more clearly reflect the Company's actual operating performance.

Other Income

Other income, as presented in the consolidated financial statements for the first quarter ended 31 March 2026, amounted to THB 20.52 million, compared to THB 24.57 million in the same period of the previous year, representing a decrease of THB 4.05 million or 16.48%.

The decrease was primarily attributable to the recognition of non-recurring insurance claim income relating to a solar power plant project in the first quarter of 2025.

Gross Profit Margin and Net Profit Margin

For the first quarter ended 31 March 2026, the Company reported a gross profit margin of 31.13%, increasing from 30.48% in the same period of the previous year, representing an increase of 0.66%.

In terms of net profit margin, for the first quarter ended 31 March 2026, the Company recorded a net profit margin of 17.62%, slightly decreasing from 17.78% in the same period of the previous year, representing a decrease of 0.16%.

Meanwhile, the operating net profit margin* was 17.21%, decreasing from 19.09% in the same period of the previous year, representing a decrease of 1.88%.

Ratios (Unit : %)	1st Quarter	1st Quarter	Change
	2026	2025	%
Gross Profit Margin	31.13%	30.48%	+ 0.66%
Net Profit Margin	17.62%	17.78%	- 0.16%
Net Profit Margin from Normal Operations*	17.21%	19.09%	- 1.88%

* Profit from operations is calculated based on profit for the period, excluding (loss) gain from net foreign exchange, (loss) gain from changes in fair value of derivatives, and gain from bargain purchase, which is considered a one-time item.

The breakdown of cost of sales and services by business segment is summarized as follows:

Cost (Unit: Million Baht)	1st Quarter	1st Quarter	Change	
	2026	2025	Amount	%
Cost of sale	(372.46)	(353.92)	(18.54)	(5.24%)
Cost of sale of electricity	(256.68)	(277.23)	20.55	7.41%
Cost of construction services	(1,048.80)	(552.35)	(496.45)	(89.88%)
Cost of rendering of services	(15.40)	(14.28)	(1.12)	(7.84%)
Cost of sales of assets under finance lease	(54.78)	(241.65)	186.87	77.33%
Total Cost	(1,748.12)	(1,439.43)	(308.69)	(21.45%)

Total costs for the first quarter ended 31 March 2026 amounted to THB 1,748.12 million, increasing from THB 1,439.43 million in the same period of the previous year by THB 308.69 million, or 21.45%.

The increase was in line with higher revenue from sales, construction, and rendering of services businesses in accordance with project progress. As total revenue increased during the year, the Company was able to generate a higher level of gross profit in absolute terms compared to the previous year, reflecting the stronger quality and performance of the Company's operations.

Share of Profit from Investments in Associates and Joint Ventures

Share of profit from investments in associates and joint ventures for the first quarter ended 31 March 2026 amounted to THB 150.25 million, compared to THB 246.52 million in the same period of the previous year, representing a decrease of THB 96.27 million or 39.05%.

The share of profit from investments in associates and joint ventures was primarily derived from three wind power projects with a combined installed capacity of 170 MW. The Company recognizes such investments using the Equity Method and records its share of profit from associates and joint ventures based on its 50% shareholding proportion. Accordingly, revenue from the wind power projects is not recorded as electricity sales revenue but is instead recognized under share of profit from associates and joint ventures in the consolidated financial statements.

The decrease was mainly attributable to volatile weather conditions affecting the wind power projects, particularly lower wind speeds compared to the same period of the previous year, which resulted in weaker operating performance of the wind power plants.

However, since April 2026, monsoon conditions have strengthened significantly, resulting in a substantial recovery in wind energy generation performance.

Other Expenses

Selling and administrative expenses for the first quarter ended 31 March 2026 amounted to THB 308.49 million, compared to THB 276.81 million in the same period of the previous year, representing an increase of THB 31.68 million or 11.44%.

The increase was primarily attributable to higher expenses related to the Company's operations and business expansion. Nevertheless, the Company continued to manage its expenses efficiently through prudent cost control measures, effective resource management, and the implementation of technology to support operational processes.

As a result, the increase in selling and administrative expenses remained at a lower rate than the growth in revenue and continued to be maintained at an appropriate level for the Company's business operations.

Finance Costs

Finance costs for the first quarter ended 31 March 2026 amounted to THB 136.20 million, compared to THB 171.87 million in the same period of the previous year, representing a decrease of THB 35.67 million or 20.75%.

The decrease was primarily attributable to the Company's efficient capital structure management, including the gradual reduction of debt obligations and effective management of average borrowing costs, together with cash flow management for debt repayment purposes. As a result, total interest expenses declined significantly.

Consolidated Statement of Financial Position

On 23 June 2025, the Board of Directors' Meeting resolved to approve the disposal by the Company of 50% of the registered share capital in its subsidiaries, namely Gunkul One Energy 2 Co., Ltd. ("GOE-2") and Gunkul Solar Powergen Co., Ltd. ("GSPG"), to Gulf Renewable Energy Co., Ltd. ("GULFRE"), a subsidiary of Gulf Development Public Company Limited ("GULF").

GOE-2 and GSPG are developers of a total of 9 solar power plant projects under Power Purchase Agreements ("PPA") with the Electricity Generating Authority of Thailand ("EGAT"), representing a combined contracted capacity of 460.8 MW under the Feed-in Tariff (FiT) scheme, with scheduled commercial operation dates between 2026 and 2030.

This partnership is expected to enhance the parties' capabilities in jointly developing renewable energy projects, improve operational efficiency through economies of scale, reduce operating costs, and strengthen competitiveness and investment capacity for renewable energy projects both domestically and internationally.

Following the share disposal transaction, the Company will retain a 50% shareholding in each of the two companies. Accordingly, both entities will change their status from "subsidiaries" to "associates." As a result, the recognition method for assets and liabilities will change from consolidation in the Company's consolidated financial statements to recognition as investments in associates using the equity method, effective from the second quarter of 2025 onward.

In addition, the change in shareholding structure enables the Company to recognize revenue from sales and construction services provided to such associates from the end of 2025 onward, as these transactions will be treated as external transactions under applicable accounting standards and will no longer be subject to elimination of intercompany profits.

This approach allows the Company to more fully reflect operating performance and revenue recognition from sales and construction activities during the project development phase prior to the Scheduled Commercial Operation Date ("SCOD") under the relevant power purchase agreements.

The consolidated statements of financial position as at 31 March 2026 and 31 December 2025 can be summarized as follows:

Important Financial Information (Unit : Million Baht)	31st March	31st March	Change	
	2026	2025	Amount	%
Current Assets	7,889.08	7,437.15	451.93	6.08%
Non-Current Assets	25,279.02	24,106.63	1,172.39	4.86%
Total Assets	33,168.10	31,543.78	1,624.32	5.15%
Current Liabilities	7,628.98	6,666.44	962.54	14.44%
Non-Current Liabilities	10,789.62	10,758.51	31.11	0.29%
Total Liabilities	18,418.60	17,424.95	993.65	5.70%
Shareholders' Equity	14,749.50	14,118.83	630.67	4.47%
Total Liabilities and Shareholders' Equity	33,168.10	31,543.78	1,624.32	5.15%
Key Financial Ratios (Unit: Times)	**31st March**	**31st March**	**Change**	
	2026	**2025**	**Amount**	**%**
Net Interest-Bearing Debt to Equity Ratio (Net IBD to Equity Ratio)	0.89	0.93	(0.04)	(4.30%)
Current Ratio	1.03	1.12	(0.09)	(8.07%)

Total assets as at 31 March 2026 amounted to THB 33,168.10 million, compared to THB 31,543.78 million as at 31 December 2025, representing an increase of THB 1,624.32 million or 5.15%. The increase was primarily attributable to capital payments and advance payments for investments in solar power projects both domestically and internationally.

Total liabilities as at 31 March 2026 amounted to THB 18,418.60 million, compared to THB 17,424.95 million as at 31 December 2025, representing an increase of THB 993.65 million or 5.70%. The increase was mainly due to short-term borrowings utilized for operations and investment activities.

In terms of capital structure and leverage, the Company continued to maintain strong financial stability, with a Net Interest-Bearing Debt to Equity Ratio ("Net IBD to Equity Ratio") of 0.89 times, which remained significantly lower than the financial covenant requirement of not exceeding 3.00 times. This ratio reflects the Company's effective capital structure management and its substantial financial headroom to support future investment expansion and long-term growth opportunities.

In addition, the Company maintained a Current Ratio of 1.03 times, reflecting an appropriate level of liquidity and readiness to support the Company's strategic operations in the periods ahead. The Company continues to maintain a sound balance between business expansion and financial risk management.

Capital Structure Management

As the power generation business, which is the Company's core business, is a capital-intensive business, operating under a fully owned structure (100% ownership) would limit the Company's expansion capability due to financial covenant requirements imposed by financial institutions.

Accordingly, the Company has adopted a growth strategy through joint ventures ("JV") with strategic partners in order to unlock growth potential. This approach enhances the Company's ability to expand investments into new projects while continuously and sustainably improving returns to shareholders.

Under the Company's joint venture growth strategy, investments in associates are accounted for using the non-consolidated approach. As a result, revenue generated by associates is not included in the Company's consolidated revenue. Nevertheless, the Company receives a share of profit from such associates, which generally operate with high gross profit margins and operational efficiency.

The Company recognizes such earnings under share of profit from investments in associates in proportion to its shareholding interest, which significantly enhances the Company's net profit. Although such revenue does not appear under total revenue in the consolidated financial statements, the profitability generated from these operations directly contributes to the Company's net profit.

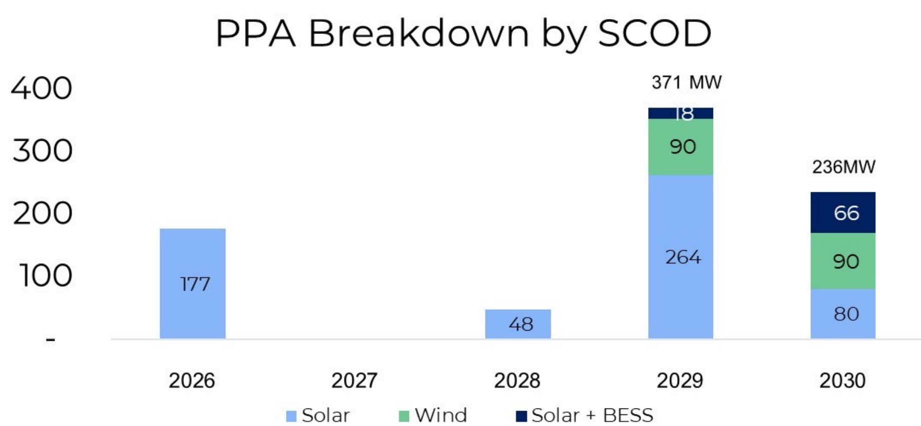
Further details regarding such earnings will be elaborated under the section titled "Share of Profit from Investments in Associates and Joint Ventures" for greater clarity.

Business Overview and Progress of Projects Under Development

At present, the Company has a total clean energy power purchase agreement portfolio of 1,629 MW (Gross MW), of which approximately 51%, or 832 MW, consists of power plants located in Thailand that are currently under development and construction.

As a result, the Company's current revenue and profit performance has not yet reflected revenue contribution from electricity sales generated by such power plants.

Bar Chart Showing Year and Megawatt for Each Power Plant's Planned Commercial Operation (MW by SCOD)

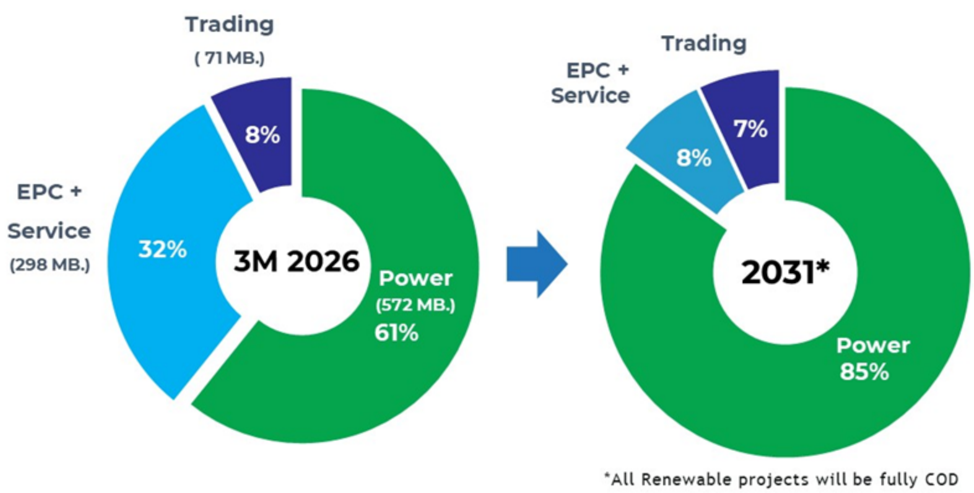


The aforementioned 832 MW clean energy projects are expected to gradually commence revenue recognition from 2026 onward, which will significantly increase the proportion of operating profit generated from the energy business.

For the first quarter ended 31 March 2026, the breakdown of gross profit and share of profit from investments by business segment (Gross Profit & Profit Sharing by Business) can be categorized into three main segments as follows:

1) **Energy Business,** comprising utility-scale solar power plants, wind power projects, and private PPA solar rooftop projects for private-sector customers, contributed approximately 61% of total gross profit and share of profit from investments.
2) **Construction and Rendering Services Business** contributed approximately 32% of total gross profit and share of profit from investments.
3) **Manufacturing and Distribution of Equipment Business** contributed approximately 8% of total gross profit and share of profit from investments.

Pie Chart Showing Gross Profit and Share of Profit from Investments by Business Segment
(Gross Profit & Profit Sharing by Business)
Comparison between 2026 and 2031



The pie chart illustrates that the Company is currently driven primarily by gross profit and share of profit from the energy business, which account for approximately 61% of total gross profit and profit sharing, while the Construction and Rendering of Services business and the Manufacturing and Trading business account for approximately 32% and 8%, respectively.

At present, GUNKUL possesses a total renewable energy portfolio of 1,629 MW (Gross MW). This capacity represents a strong foundation for generating significant future revenue from renewable energy businesses. In particular, the 832 MW power plant portfolio currently under development and construction is scheduled to commence commercial operations and begin revenue recognition from 2026 onward.

As a result, the proportion of gross profit and share of profit derived from the energy business is expected to increase from 61% to approximately 85% by 2031, reflecting stable and recurring long-term revenue generation under power purchase agreements with contractual terms of up to 25 years.

The Company continues to maintain its growth target over the next three years (2025–2027) at no less than 10–15% per annum, supported by a solid backlog of more than THB 4.6 billion from electrical equipment supply and construction service businesses, which is expected to be gradually recognized as revenue in the coming periods.

One of the Company's key strengths is its fully integrated renewable energy business model, covering the entire value chain from electrical equipment manufacturing and trading, construction services, to power generation operations. Such business structure enables the Company to recognize revenue from the project development and construction phases before commercial operation commencement of the power plants, thereby creating multiple layers of revenue streams and enhancing overall return on investment efficiency.

Under its New S-Curve strategy, the Company aims to expand into high-growth businesses, particularly Green Data Centers and Energy & Digital Infrastructure, which are industries experiencing strong growth driven by substantial 24-hour electricity demand, especially for clean energy (Green Energy), as well as the rapid expansion of digital technologies, artificial intelligence (AI), cloud computing, and hyperscale computing.

As a result, data centers have become critical infrastructure for the modern economy, requiring highly stable and reliable power systems that also comply with sustainability standards.

The Company possesses strategic advantages through its expertise in renewable energy, transmission systems, smart grid technologies, and Energy Storage Systems ("ESS"), which can be further leveraged toward the development of Green Data Centers powered directly by clean energy sources. In addition, the Company is capable of providing electricity supply solutions through Direct Power Purchase Agreements ("Direct PPA") to serve large corporate customers both domestically and internationally.

Furthermore, data center projects create additional business opportunities across multiple business segments, including construction services, electrical systems, equipment trading, and long-term infrastructure investments. This will support the Company's transformation from a renewable energy project developer into a fully integrated energy and digital infrastructure developer.

The Company plans to invest equity capital of no less than THB 40 billion over the next five years to support business expansion across renewable energy, infrastructure, and new businesses under its New S-Curve strategy. Currently, the Company maintains a relatively low debt-to-equity ratio, reflecting a strong financial position and sufficient capability to support large-scale investments efficiently.

With its integrated business structure, stable revenue base from the energy business, and expansion into future infrastructure sectors, the Company is confident in its ability to achieve sustainable long-term growth, enhance shareholder value, and strengthen its position as a leader in clean energy and energy infrastructure development in the future.

INCLUSIVE GROWTH ENGINEERED

Gunkul Engineering Public Company Limited
548 One City Centre (OCC) Building, 44th Floor, Phloen Chit Road,
Lumpini, Pathumwan, Bangkok, Thailand