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Our Ref. RTAC 002/2569

May 14, 2026

Subject: Management Discussion and Analysis of the three-month period Ended March 31, 2026

To: The President
The Stock Exchange of Thailand

Right Tunneling Public Company Limited (the "**Company**") and its subsidiaries (the "**Subsidiaries**") would like to report the operating performance and financial position for the first quarter ended March 31, 2026, as reviewed by a certified public accountant. The details are summarized as follows:

Overview of Business Operations, Economic Conditions, and Industry Trends and Its impacts

For the first quarter of 2026, the Company had a backlog of Baht 5,572 million pending revenue recognition and plans to pursue additional project bids to replenish revenue recognized during prior periods.

The construction industry outlook for 2026 is expected to be affected by the ongoing conflict in the Middle East, particularly due to macroeconomic volatility and the potential closure of the Strait of Hormuz, which could drive up energy and oil prices. In response, the Company has adopted more rigorous and proactive cost management measures.

One of the Company's key strategies is to negotiate advance purchase agreements with selected suppliers to secure fixed purchase prices. The Company has also enhanced the efficiency of its logistics operations by focusing on reducing empty-haul transportation, which represents a non-value-added cost. Improved route planning and transportation management allow the Company to maximize the utilization of each delivery trip for materials and equipment. These measures enable the Company to manage operating cost budgets more accurately and reduce the risk of sudden increases in material costs.

Nevertheless, the Company continues to closely monitor material prices, energy costs, and labor expenses in order to assess potential impacts and implement timely mitigation measures.

Sustainability Development

The Company has developed the sustainability risk management framework, with an emphasis on physical risks associated with climate change, which are becoming increasingly severe and have significant implications for the construction industry, where core operations are primarily conducted outdoors. The Company has therefore implemented Flood Risk Assessments for new construction projects prior to project commencement in order to support effective planning and the development of appropriate preventive measures from the early stages of project preparation.

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In addition, the Company has expanded its sustainability management practices across the supply chain through sustainability assessments of business partners covering all three ESG dimensions: environmental, social, and governance. This approach is intended to mitigate risks that may arise from subcontractors and material suppliers.

In relation to climate change management, the Company prepares annual greenhouse gas inventories for Scope 1 and Scope 2 emissions, verified by an independent organization in accordance with the standards of the Thailand Greenhouse Gas Management Organization (TGO). The Company has also established a target to reduce Carbon Intensity by 2% by 2028 compared with the base year, through initiatives such as the installation of solar panels and improvements in machinery energy efficiency.

Middle East Conflict

The Company continues to closely monitor the conflict situation in the Middle East, including its potential impact on energy costs and construction supply chains. The Company remains focused on maximizing productivity in order to mitigate potential increases in operating costs arising from external factors.

Despite the high level of uncertainty surrounding the situation, the Company believes that its strong backlog and specialized expertise in tunnel construction will enable it to maintain an appropriate level of operating performance.

The Company also continues to closely monitor announcements and relief measures issued by relevant government agencies and has exercised its rights under applicable contracts and laws where appropriate. In addition, the Company has coordinated with counterparties and related agencies to help mitigate cost impacts and maintain gross profit margins at appropriate levels.

Corporate Strategy for 2026: Focus on Growth and Operational Excellence

The Company plans to continue expanding its business through the RAISE–REFINE–RESILIENCE strategies, with a focus on profit growth and reducing dependence on large-scale projects. The Company also plans to increase the proportion of fast-cycled projects, which will accelerate revenue recognition and boost operational liquidity. At the same time, the Company aims to expand into operations and maintenance (O&M) services and high-potential energy businesses, leveraging its core expertise to build stable recurring income streams over the long term.

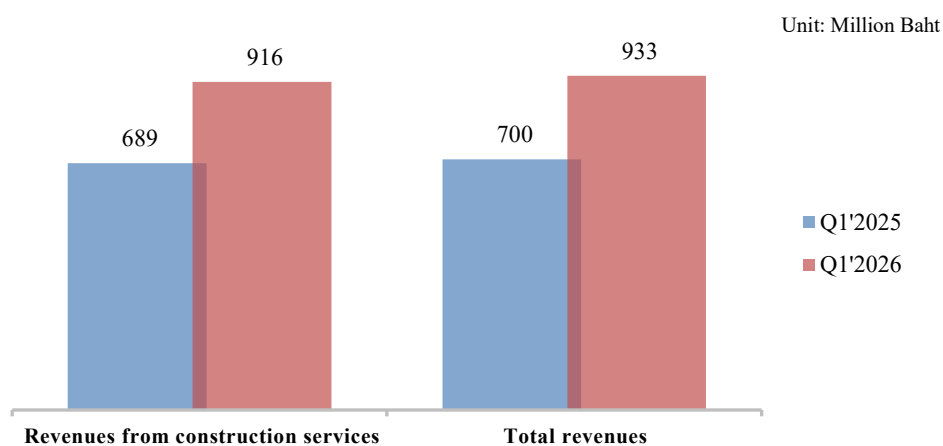
On the operational aspect, the Company is accelerating the enhancement of its ERP system through the integration of AI and automation technologies to further improve cost control and productivity. Financially, the Company continues to prioritize cash flow management, reduction of interest-bearing obligations, and maintenance of an appropriate capital structure in order to support long-term financial stability.

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Financial Highlights

Statement of Comprehensive Income Unit: million baht or as otherwise stated	Q1/2025	Q1/2026	Change YoY	
			Amount	%
Revenues from construction services	688.94	916.36	227.42	33.01%
Sales of construction materials	7.05	5.00	(2.04)	-28.99%
Exchange gain	3.66	11.93	8.27	226.18%
Other income	699.65	933.29	233.65	33.40%
Total revenues	717.81	808.66	90.85	12.66%
Cost of construction services	6.62	4.85	(1.77)	-26.78%
Cost of sales of construction materials	60.17	76.51	16.34	27.15%
Administrative expenses	0.40	0.03	(0.37)	-92.96%
Total expenses	785.00	890.05	105.04	13.38%
Net Operating profit (loss)	(85.36)	43.25	128.60	150.66%
Finance revenues	0.28	0.41	0.13	45.94%
Finance cost	(42.09)	(38.52)	3.57	8.47%
Profit before income tax expenses	(127.17)	5.13	132.30	104.04%
Income tax expenses (gain)	25.08	(4.12)	29.19	116.41%
Profit (Loss) for the year	(102.09)	1.02	103.11	101.00%
Gross Profit Margin (%)	-4.19%	11.75%		
Net Profit Margin (%)	-14.59%	0.11%		

Performance for the first quarter ended March 31, 2026



1. Revenues

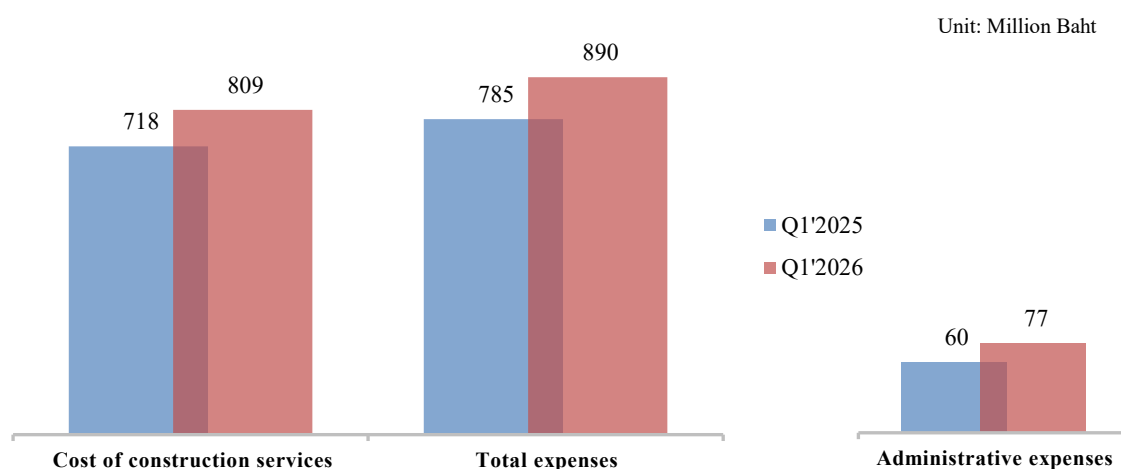
The Company and its subsidiaries reported total revenue for the first quarter ended 31 March 2026 of Baht 933.29 million, representing an increase of Baht 233.65 million, or 33.40%, compared to the same period of the previous year.

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The principal source of revenue was construction revenue amounting to Baht 916.36 million, an increase of Baht 227.42 million, or 33.01%, from the corresponding period of the previous year.

The increase was primarily attributable to the impact of flooding on certain construction projects during late 2024, including the Sri Song Rak Water Gate Construction Project, which suffered damage to embankments and various architectural structures, and the Highway No. 42, Khlong Ngae Project, which was affected by flooding during late 2024 and again in November 2025. As a result, road surface layers under construction were damaged, and the Company was required to undertake repair works for the affected areas.

These impacts caused revenue recognition in the first quarter of 2025 to fall below the planned construction schedule. At present, however, the Company and its subsidiaries have resumed operations and revenue recognition in line with the planned schedule.



2. Expenses

The Company and its subsidiaries reported total expenses for the first quarter ended 31 March 2026 of Baht 890.05 million, representing an increase of Baht 105.04 million, or 13.38%, compared to the same period of the previous year.

The major expense was construction costs amounting to Baht 808.66 million, an increase of Baht 90.85 million, or 12.66%, from the corresponding period of the previous year. The increase in construction costs was in line with the growth in revenue.

The management continues to implement policies aimed at controlling and reducing unnecessary expenses on an ongoing basis.



3. Profitability

For the first quarter ended 31 March 2026, the Company and its subsidiaries reported gross profit of Baht 107.70 million, representing a gross profit margin of 11.75%. Gross profit increased by Baht 136.57 million, or 473.06%, compared to the same period of the previous year. The Company and its subsidiaries reported net profit of Baht 1.02 million, representing an increase of Baht 103.11 million, or 101.00%, from the corresponding period of the previous year. The improvement in profitability was primarily attributable to the flooding impacts on certain construction projects during the prior year, for which the Company and its subsidiaries were responsible for repair works and related damages, resulting in losses during the first quarter of 2025. Nevertheless, management implemented strategies to improve operational efficiency and strengthen cost control, enabling the Company to return to normal operations. As a result, the Company and its subsidiaries were able to return to profitability during the current quarter. Going forward, the Company and its subsidiaries expect to gradually recognize higher gross profit margins from newly secured construction projects.

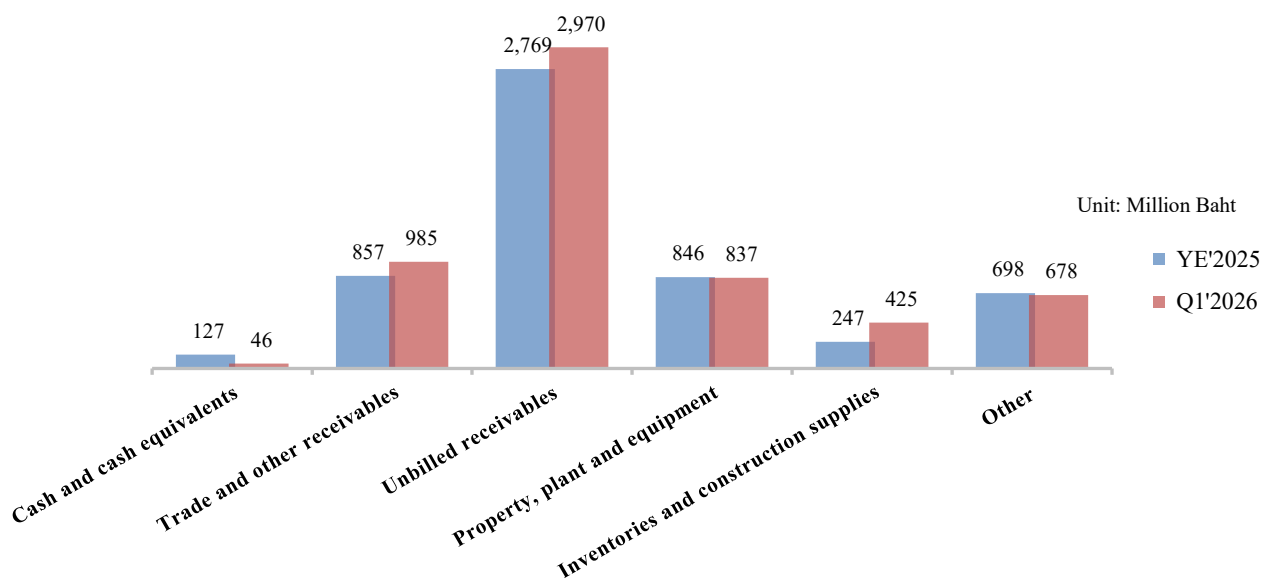
Financial Position

Statement of Financial Position Unit: million baht	As of December 31, 2025	As of March 31, 2026	Change	
			Amount	%
Total Assets	5,544.14	5,942.22	398.09	7.18%
Total Liabilities	4,194.79	4,592.14	397.35	9.47%
Total Equity	1,349.34	1,350.08	0.74	0.05%

1. Total Assets:

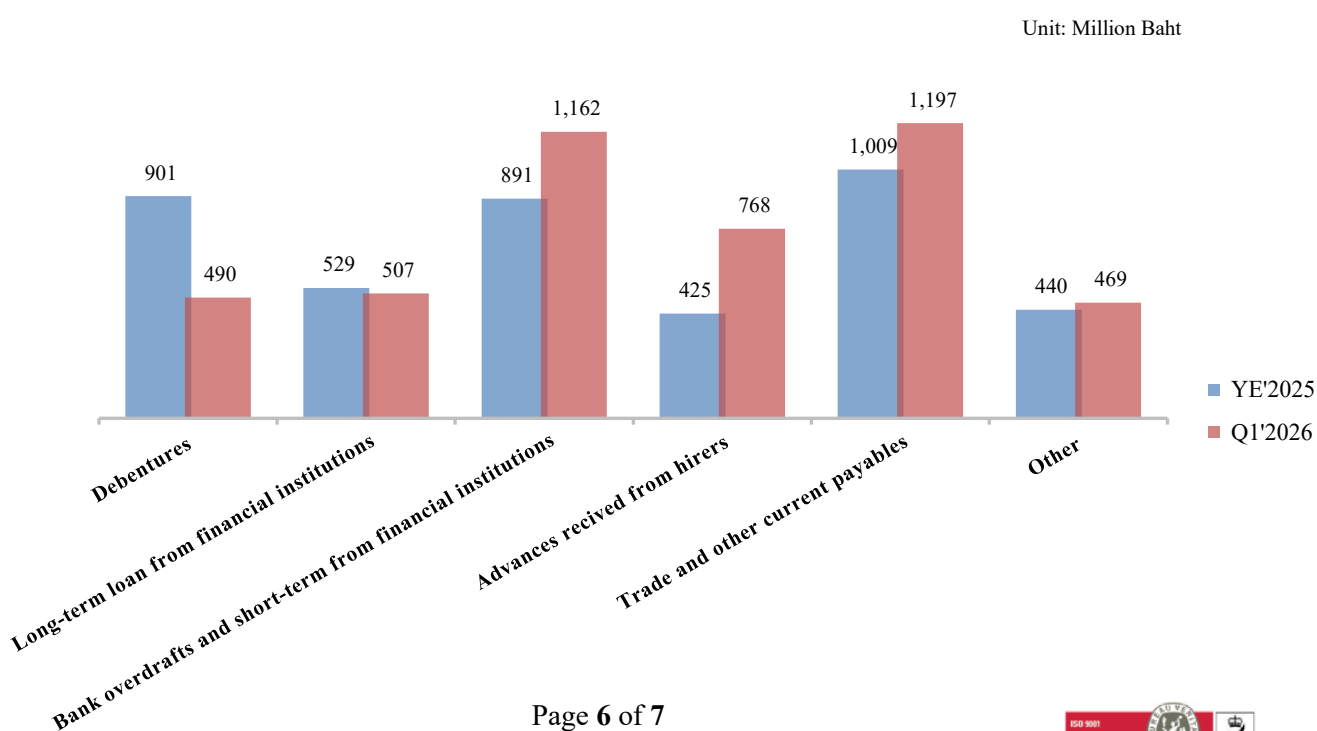
As at 31 March 2026, the Company and its subsidiaries reported total assets of Baht 5,942.22 million, representing an increase of Baht 398.09 million, or 7.18%, compared to 31 December 2025. Significant changes included an increase in trade and other receivables of Baht 128.29 million, or 14.97%, primarily due to construction project deliveries progressing in line with the planned schedule. Cash and cash equivalents decreased by Baht 80.84 million, or 63.56%, mainly due to the full redemption of Debentures No. 1/2022 (RT262A), which matured in February 2026. Contract assets – unbilled revenue increased by Baht 200.38 million, or 7.24%, mainly attributable to preparation costs incurred for large-scale construction projects newly awarded during the first quarter of 2026. Inventories and materials pending transfer to construction sites increased by Baht 178.56 million, or 72.35%, primarily due to the procurement of materials for newly awarded large-scale construction projects. In addition, restricted deposits decreased by Baht 42.96 million, or 14.34%, as a result of the withdrawal of pledged deposits related to construction projects for which the guarantee obligations had already expired.

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2. Total Liabilities:

As at 31 March 2026, the Company and its subsidiaries reported total liabilities of Baht 4,592.14 million, representing an increase of Baht 397.35 million, or 9.47%, compared to 31 December 2025. Significant changes in liabilities included a decrease in debentures of Baht 411.23 million, or 45.64%, resulting from the redemption of Debentures No. 1/2022 due in 2026 (“RT262A”). Advances received from customers increased by Baht 343.26 million, or 80.76%, primarily due to advance payments received for large-scale construction projects, which will be gradually deducted from future progress billings in accordance with contractual terms. Bank overdrafts and short-term loans from financial institutions increased by Baht 271.21 million, or 30.45%, mainly due to additional borrowings used for payments to material suppliers and subcontractors for the increased number of projects. Trade and other payables also increased by Baht 187.92 million, or 18.63%, primarily attributable to purchases of materials for preparation works related to newly awarded large-scale construction projects.



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3. Shareholders' Equity:

As at 31 March 2026, the Company and its subsidiaries reported shareholders' equity of Baht 1,350.08 million, representing an increase of Baht 0.74 million, or 0.05%, compared to the previous period. The increase in shareholders' equity was primarily attributable to net profit generated during the first quarter of 2026.

Conclusion and Outlook for Investors

As a specialist in civil engineering and geotechnical construction works, Right Tunnelling Public Company Limited continues to operate with a strong backlog of more than Baht 5,572 million, reflecting the Company's capability in project selection and effective project management. Although the construction industry outlook in 2026 remains challenging due to volatility in energy and material prices arising from global uncertainties, the Company has implemented proactive risk management strategies through systematic cost reduction measures and continued improvements in operational productivity.

Looking ahead, investors are expected to see the Company expand its business base into green construction, energy, and water management sectors in order to strengthen long-term recurring revenue sustainability. At the same time, the Company continues to enhance corporate value through participation in the Stock Exchange of Thailand's JUMP+ program and the adoption of digital technologies to improve cost control and operational precision. These developments represent positive indicators of the Company's readiness to operate efficiently and sustainably amid a highly uncertain economic environment.

Please be informed accordingly.

Yours sincerely,

(Mr. Poramate Mashima)

Assistant to Managing Director for Accounting and Finance (CFO)