



No. QTCG 05001/69

14 May 2026

Subject Management's Discussion and Analysis for the three-month period ended 31 March 2026

Dear Directors and Managers,
Stock Exchange of Thailand

QTCG Public Company Limited (the “Company” or “QTCG”) and its subsidiary, SAMC (the “Subsidiary” and, together with the Company, the “Group”), hereby submit the Management Discussion and Analysis (“MD&A”) as of December 31, 2025, and the operating results for the year ended December 31, 2025, as set forth below:

Economic Overview

The overall construction contracting industry in the first quarter of 2026 showed signs of a gradual recovery, although operators continued to face pressure from rising costs and liquidity constraints. The sector was supported mainly by public infrastructure investment, while private sector investment continued to recover slowly amid fragile economic conditions and purchasing power.

However, construction operators continued to face pressure from fluctuating construction material costs, driven by global energy prices and geopolitical uncertainties. This was particularly impactful for projects under fixed-price contracts, which limited the ability to adjust selling prices in line with rising costs. As a result, the Company’s gross profit margin declined compared to the same period of the previous year.

The operating result

QTCG Public Company Limited and its subsidiaries hereby submit the Management Discussion and Analysis as at 31 March 2026 and the operating results for the three-month period ended 31 March 2026 as follows:

Statement of Comprehensive income	31-Mar-26	31-Mar-25	Increase (decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from construction	21.69	82.93	(61.24)	-73.85
Revenue from sale	0.23	-	0.11	100.00
Cost of construction	(31.45)	(80.02)	(48.57)	-60.70
Cost of sale	(0.19)	-	(0.19)	-100.00
Gross profit	(9.72)	2.91	(12.63)	-424.02
Other income	1.85	2.39	(0.54)	-22.59
Reversal allowance for expected credit loss	(3.80)	4.07	(7.87)	-193.37
Selling expenses	(0.47)	(0.91)	(0.44)	-48.35
Administrative expenses	(10.55)	(13.89)	(3.34)	-24.05
Finance income	-	0.03	(0.03)	-100.00
Finance costs	(2.19)	(1.89)	0.30	15.87
Loss before income taxes	(24.87)	(7.29)	(17.58)	-241.15
Income taxes	1.37	1.15	0.22	19.13
Loss for the year	(23.50)	(6.14)	(17.36)	-282.74

Revenue from construction

Construction revenue decreased by THB 61.2 million, or 74%, compared to the same period of the previous year. The decrease was mainly attributable to several projects having been progressively completed and delivered in late 2025, while certain ongoing projects had achieved construction progress of more than 90% and are scheduled for completion within the second quarter of 2026. In addition, new projects awarded in 2026 only commenced operations in mid-March 2026, resulting in limited revenue recognition during the current quarter.

Cost of Construction

For the three-month period ended 31 March 2026, the Group recorded construction costs of THB 31.4 million, representing a decrease of THB 48.6 million compared to the same period of the previous year, mainly in line with the decrease in construction revenue. However, the fixed portion of construction costs remained at a level close to that of the prior period. In addition, increases in construction material prices and transportation costs resulted in total construction costs declining at a lower rate than the decrease in revenue. As a result, the Group's gross profit margin declined compared to the same period of the previous year.



Selling Expenses and Administrative Expenses

For the three-month period ended 31 March 2026, the Group's selling and administrative expenses decreased by THB 3.8 million, or 25%, compared to the same period of the previous year. The decrease was mainly attributable to the Group's ongoing efforts to manage and control operating expenses, resulting in reductions in certain expense items, including service fees and annual license fees for computer software, vehicle rental expenses, telephone expenses, and employee-related expenses.

Net Loss

For the three-month period ended 31 March 2026, the Group reported a net loss increase of THB 17.4 million, or 108%, compared to the same period of the previous year. The increase in net loss was primarily attributable to the decline in construction revenue, resulting in a gross loss in the current period. In addition, the Group recorded a higher allowance for expected credit losses following an increase in overdue trade receivables.

Although selling and administrative expenses decreased as a result of the Group's continued cost control measures, such reduction was insufficient to offset the impact of lower revenue. Consequently, the Group reported a higher net loss compared to the corresponding period of the previous year.

The Group continues to place importance on closely monitoring and controlling operating expenses on an ongoing basis to limit non-essential costs and maintain operational efficiency amid the continuing challenges in the business environment.

Statement of financial position

Statement of financial position	31-Dec-25	31-Dec-25	Increase (decrease)	
	Million Baht	Million Baht	Million Baht	%
Current assets	314.79	325.59	(10.80)	-3.32
Non-current assets	195.36	183.56	11.80	6.43
Total assets	510.15	509.15	1.00	0.20
Current liabilities	400.26	399.75	0.51	0.13
Non-current liabilities	15.25	17.04	(1.79)	-10.50
Total liabilities	415.51	416.79	(1.28)	-0.31
Total equity	94.64	92.36	2.28	2.41
Total liabilities and equity	510.15	509.15	1.00	0.20



Assets

As at 31 March 2026, total assets increased by THB 1 million compared to the balance as at the end of the previous year. The changes were mainly attributable to the following factors:

Trade accounts receivable

During the period, trade receivables increased by THB 2.5 million, mainly due to longer collection periods for construction projects under milestone-based payment terms. In certain cases, although the Company had completed its scope of work, billing could not yet be made until other works under the same milestone had been fully completed.

In addition, the slowdown in the construction industry and delays in the inspection and project handover processes by project owners resulted in longer payment collection periods and an increase in the aging of trade receivables compared to the previous period.

Allowance for Expected Credit Losses

The Company has outstanding expected credit losses (ECL) amounting to THB 321.1 million, comprising: (1) contract assets of THB 283.6 million, (2) trade receivables of THB 29.4 million, and (3) other current receivables of THB 8.1 million. Such allowances had already been recognized in the statement of financial position as at 31 December 2025. Details of the allowances are as follows:

Items	Projects in the public sector		Projects in the private sector	
	Government Agency No. 1	Government Agency No. 2	Private Company	Private Company
Working scope	To engage in engineering, procurement, and installation of building systems, comprising electrical systems		To provide installation services for electrical, HVAC, sanitary and plumbing, and fire protection systems.	To provide installation services for electrical, HVAC, sanitary and plumbing, and fire protection systems.
Owner's project	Government Agency No. 1	Government Agency No. 2	Private Company	Private Company
Number of projects	1 project	1 project	1 project	1 project
Main contractor (counterparty)	Private Company		Private Company	Private Company
Relationship with the counterparty	N/A		N/A	N/A

Items	Projects in the public sector		Projects in the private sector	
Details of the progress in monitoring and collection of outstanding receivables	The matter is currently under review and subject to procedures related to project completion and handover in accordance with the requirements of the relevant authorities. Progress remains under consideration, and no payment has yet been received.		The project is currently in the final stage of warranty obligations and milestone billing procedures. Progress remains under consideration, and no payment has yet been received.	
Contact assets amount (million Baht)	225.89	40.33	6.20	11.19
ECL amount (million Baht)	225.89	40.33	6.20	11.19
Rationale for the recognition of expected credit loss (ECL) allowance	Outstanding balance more than 1 year			
Process for monitoring and collection of outstanding receivables	At present, the Company is in the process of reviewing supporting documentation to substantiate its contractual rights, as well as determining appropriate collection approaches on a case-by-case basis. The Company places emphasis on negotiation, balance confirmation, and expediting collections. Should collection efforts not proceed as expected or negotiations not yield benefits to the Company, legal actions will be pursued as the next step.		The Company is actively pursuing negotiations and collection efforts to expedite payment and will proceed with legal action should such efforts not yield satisfactory results.	
Past collection efforts / Progress update	The Company has not yet received payment for such item and continues to follow up with the counterparty while evaluating appropriate actions, including negotiation and collection efforts, to safeguard its interests.			

Progress, timing, and the outcomes of actions relating to such outstanding balances remain subject to contractual terms and the consideration processes of the counterparties and relevant authorities.



In addition, during the period, the Company recorded additional expected credit losses of THB 3.7 million arising from trade receivables with longer overdue periods, based on the assessment of debtors' repayment ability at the end of the reporting period.

Other current receivables:

The net balance of other current receivables decreased by THB 5.9 million compared to the balance as at the end of the previous year, mainly due to collections of other receivables during the period and a decrease in compensation deposits. However, accrued income from construction services increased by THB 4.3 million in line with the progress of construction work during the period.

Property, Plant and Equipment

Land and buildings increased by THB 31 million as a result of a change in the accounting policy for the measurement of land and buildings from the cost model to the fair value model. This change resulted in an increase in the carrying value of such assets and allows the financial statements to better reflect the current value of the assets.

Liabilities

As at 31 March 2026, the Group's total liabilities amounted to THB 415.5 million, representing a decrease of THB 1.3 million, or 0.3%, compared to the balance as at 31 December 2025. The decrease was mainly attributable to the gradual repayment of short-term and long-term borrowings from financial institutions during the period. However, the Company obtained additional short-term borrowings to support working capital for operations, resulting in total liabilities remaining at a level close to that at the end of the previous year.

Shareholders' Equity

As of March 31, 2026, the Group's shareholders' equity amounted to THB 94.6 million, representing an increase of THB 2.2 million compared to shareholders' equity as at 31 December 2025. The increase was mainly attributable to an increase in surplus from asset revaluation of THB 25.6 million resulting from the fair value measurement of land and buildings, which partially offset the net loss incurred during the period.

As of March 31, 2026, the Group's equity accounted for 31% of the registered capital. The Group, together with management, has implemented a plan to manage liquidity and debt obligations, both current and future, to ensure the Group's ability to continue its operations on an ongoing basis.



Business Outlook and Trends in 2026

The overall outlook for the construction contracting industry is expected to remain in a phase of gradual recovery, mainly supported by public infrastructure investment, while private sector investment continues to recover slowly amid economic conditions and purchasing power that have not yet fully recovered. In addition, the industry continues to face risks and uncertainties from high construction material costs, increasing labor and transportation expenses, stricter lending policies by financial institutions, particularly for private real estate projects, and intense price competition. These factors may affect the Company's ability to manage construction costs and could impact operating performance in the periods ahead.

Under such circumstances, the Company continues to implement its marketing strategy by focusing primarily on short-term construction and system installation projects in order to reduce exposure to fluctuations in material and labor costs. At the same time, the Company continues to undertake long-term projects with existing customers under current contractual arrangements to support business continuity.

In addition, the Company continues to place importance on liquidity management and cost control through measures such as accelerating debt collection from customers, improving project cost management efficiency, and selectively undertaking projects with appropriate profit margins and payment terms. These measures are intended to maintain cash flow and strengthen the Company's long-term financial stability.

Yours sincerely,

-Thitiwat Ngurnnumchokethanarat-
(Mr. Thitiwat Ngurnnumchokethanarat)
Chief Executive Officer