

AC. 008/2026

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## Management Discussion and Analysis (MD&A) for Q1/2026

### BPS Technology Public Company Limited

BPS Technology Public Company Limited (the “Company”) would like to provide an explanation of its operating results for the period ended 31 March 2026, which have been reviewed by the certified public accountant, as follows:

#### Executive Summary

BPS Technology Public Company Limited operates its core business as a distributor of electrical connection equipment for building systems, solar power system equipment, as well as a provider of sourcing, design, and installation services for electrical systems and solar energy systems to customers in the real estate and construction project sectors.

Over the past period, the Company has expanded from its core business into product and service segments related to building and residential technologies. The Company focuses on developing Smart Property and Smart Wellness solutions to enhance convenience, safety, energy efficiency, and the quality of life of residents. This represents an expansion of the Company’s business scope from the distribution of electrical equipment and solar power systems to the provision of comprehensive technology solutions.

In 2025, the domestic real estate and construction sectors continued to face challenges arising from economic conditions, a slowdown in purchasing power, intensified competition, and cost-related pressures. Nevertheless, the Company continued to make strategic adjustments in order to create growth opportunities. The Company placed importance on the development of technology infrastructure within projects, such as fiber optic systems, communication network systems, closed-circuit television (CCTV) systems, MATV systems, and various security systems. These initiatives are intended to establish a foundation for the Company’s full-scale provision of Smart Property services.

In addition, the Company has a strategic direction to expand its customer base from real estate businesses and project developers toward a greater proportion of B2C customers. This is aimed at increasing opportunities to reach end consumers directly, particularly through products and services related to smart homes, home security, residents’ wellbeing, and energy management. These areas are aligned with market trends that increasingly emphasize technology, sustainability, and quality of life.

The Company remains committed to maintaining the strength of its core business while accelerating its expansion into technology-driven businesses with the potential to generate new revenue streams and recurring revenue in the future. This will be carried out under prudent and transparent management, with a continued focus on the Company's sustainable long-term growth.

### [Key Sustainability Developments](#)

BPS Technology Public Company Limited participated in the JUMP+ Program to enhance its business plan and establish a systematic growth direction, building upon its existing Smart Construction business foundation toward becoming a Technology Company capable of creating added value and achieving sustainable growth.

The JUMP+ Program enabled the Company to review its strategy, analyze business opportunities, manage risks, and define clear financial targets. These outcomes have been further applied to the development of new businesses, including Smart Property, Smart Wellness, Energy Management, Data Platform, and recurring revenue models.

Furthermore, the Company has applied the framework from the program to organizational development in several areas, including prudent capital management, enhancement of operational standards, development of monitoring systems, and selection of projects with measurable outcomes. These initiatives are intended to improve operational efficiency and strengthen confidence among shareholders, investors, customers, and stakeholders.

### [Key Financial Information](#)

#### [Overview of the Company's Operating Results](#)

#### [Summary of Operating Results for Q1/2026](#)

Unit: Million Baht

	Q1-2026	Q1-2025	Increase (Decrease)	% Increase (Decrease)	Q4-2025	Increase (Decrease)	% Increase (Decrease)
Operating Revenue	131.28	137.83	(6.55)	(4.75%)	130.90	0.38	0.29%
Cost of Sales and Services	108.45	114.28	(5.83)	(5.10%)	110.88	(2.43)	(2.19%)
<b>Net Profit (Loss)</b>	<b>0.93</b>	<b>3.03</b>	<b>(2.10)</b>	<b>(69.31%)</b>	<b>(0.39)</b>	<b>1.32</b>	<b>338.46%</b>

#### [Operating Results for Q1/2026](#)

The Company recorded total operating revenue of Baht 131.28 million, representing a decrease of Baht 6.11 million, or 4.45%, compared with Q1/2025. The decrease was primarily attributable to a decline in revenue from the sale of electrical products of Baht 6.32 million, or 4.91%, a decrease in revenue from energy products of Baht 1.46 million, or 74.11%, and a decrease in revenue from rooftop solar installation services of Baht 4.18 million, or 100.00%. However, the Company recorded increases in revenue from electrical cable installation services of Baht 3.51 million, or 100.00%, revenue from modular house installation contracting services of Baht 4.46 million, or 100.00%, and revenue from communication signal services of Baht 0.21 million, or 110.53%. The decrease was mainly due to lower purchase orders from contractor customers, retail store customers, and modern trade

customers. Compared with Q4/2025, the Company's operating revenue in Q1/2026 increased by Baht 0.38 million, or 0.29%. This was driven by an increase in revenue from the sale of goods of Baht 8.88 million, while revenue from services decreased by Baht 8.50 million. The decrease in service revenue was due to the completion of several projects in Q4/2025, while no additional project works were secured in Q1/2026.

The Company's total cost of sales and services amounted to Baht 108.45 million, representing a decrease of Baht 5.83 million, or 5.10%, compared with Q1/2025. The decrease was in line with the decline in revenue. Compared with Q4/2025, the Company's cost of sales and services decreased by Baht 2.43 million, or 2.19%, mainly due to the decrease in service revenue.

The Company recorded a net profit of Baht 0.93 million, representing a decrease of Baht 2.10 million, or 69.31%, compared with Q1/2025. The decrease was mainly due to lower revenue from the sale of goods and services, together with an increase in operating expenses. Compared with Q4/2025, the Company's net profit for Q1/2026 increased by Baht 1.32 million, or 338.46%. This improvement was mainly attributable to an increase in gross profit from the sale of goods, resulting from the Company's procurement of products from additional new suppliers, which enabled the Company to reduce product costs.

### Operating Revenue for Q1/2026

Unit: Million Baht

Revenue from the main business	Q1-2026	Q1-2025	Increase (Decrease)	% Increase (Decrease)	Q4-2025	Increase (Decrease)	% Increase (Decrease)
Revenue from sales of electrical connection products and solar rooftop products	122.91	130.71	(7.80)	(5.97%)	114.03	8.88	7.79%
Revenue from installation services of solar rooftop projects and interior electrical connection systems	8.37	6.68	1.69	25.30%	16.87	(8.50)	(50.39%)
<b>Total revenue from the main business</b>	<b>131.28</b>	<b>137.39</b>	<b>(6.11)</b>	<b>(4.45%)</b>	<b>130.90</b>	<b>0.38</b>	<b>8.34%</b>
Other incomes	0.42	0.44	(0.02)	(4.55%)	0.23	0.19	82.61%
<b>Total revenue</b>	<b>131.70</b>	<b>137.83</b>	<b>(6.13)</b>	<b>(4.45%)</b>	<b>131.13</b>	<b>0.57</b>	<b>0.44%</b>

For Q1/2026, the Company recorded revenue from the sale of goods of Baht 122.91 million, representing a decrease of Baht 7.80 million, or 5.97%, compared with the same period of the previous year. The decrease was mainly attributable to the following factors:

- Revenue from the sale of technology and communication products amounted to Baht 0.05 million, representing a decrease of Baht 0.04 million, or 44.44%, compared with Q1/2025. The decrease was mainly due to lower home sales by real estate developer customers, which consequently resulted in a decline in sales of smart home systems bundled with installation services.

- Revenue from the sale of electrical system products amounted to Baht 122.20 million, representing a decrease of Baht 6.45 million, or 5.01%, compared with Baht 128.65 million in Q1/2025. The decrease was mainly due to lower product call-off orders from contractor customers and modern trade customers, resulting from the continued slowdown in economic conditions.
- Revenue from the sale of energy products amounted to Baht 0.58 million, representing a decrease of Baht 1.39 million, or 70.43%, compared with Baht 1.97 million in Q1/2025. The decrease was mainly due to lower home sales by real estate developer customers, which consequently led to a decline in sales of solar power systems bundled with installation services.
- Revenue from the sale of technology and communication products amounted to Baht 0.11 million, representing an increase of Baht 0.02 million, or 22.22%, compared with Q1/2025. This was despite lower home sales by real estate developer customers, which affected sales of smart home systems bundled with installation services.

Compared with Q4/2025, revenue from the sale of goods in Q1/2026 increased by Baht 8.88 million, or 7.79%, from Baht 114.03 million in Q4/2025. The increase was mainly attributable to higher sales to contractor customers of Baht 13.80 million, while sales to real estate developer customers, retail store customers, and factory customers decreased by Baht 5.00 million.

#### **Revenue from installation contracting services, in-building electrical connection system installation services, and communication signal services**

In Q1/2026, the Company recorded service revenue of Baht 8.37 million, representing an increase of Baht 1.69 million, or 25.30%, compared with the same period of the previous year, which amounted to Baht 6.68 million. The increase was mainly attributable to revenue recognized from modular house installation contracting services, additional revenue from electrical cable installation services, and higher revenue from FTTx communication signal services. Compared with Q4/2025, service revenue in Q1/2026 decreased by Baht 8.50 million, from Baht 16.87 million in Q4/2025. The decrease was mainly due to the fact that the Company had not secured new project works during Q1/2026.

#### **Other Income**

In Q1/2026, other income amounted to Baht 0.42 million, representing a decrease of Baht 0.02 million, or 4.55%, compared with Baht 0.44 million in Q1/2025. The decrease was mainly due to lower interest income and transportation income. Compared with Q4/2025, other income in Q1/2026 increased by Baht 0.19 million, or 82.61%, mainly due to an increase in foreign exchange gains of Baht 0.05 million and an increase in sales promotion income of Baht 0.13 million.

## Profitability

Unit: Million Baht

	Q1-2026	Q1-2025	Increase (Decrease)	% Increase (Decrease)	Q4-2025	Increase (Decrease)	% Increase (Decrease)
Gross profit - (sales)	23.15	21.76	1.39	6.39%	20.36	2.79	13.70%
Gross profit (Loss) - (services)	(0.32)	1.35	(1.67)	(123.70%)	(0.34)	0.02	5.88%
Profit (Loss) before tax	1.33	3.85	(2.52)	(65.45%)	(0.44)	1.77	402.27%
EBIDA	3.84	6.62	(2.78)	(40.99%)	1.97	1.87	94.92%

In Q1/2026, the Company recorded gross profit from the sale of goods of Baht 23.15 million, representing an increase of Baht 1.39 million, or 6.39%, compared with the same period of the previous year, which amounted to Baht 21.76 million. Gross profit from the sale of goods also increased by Baht 2.79 million, or 13.70%, compared with Q4/2025, which amounted to Baht 20.36 million. The increase was mainly attributable to the Company's procurement of products from new suppliers with lower product costs.

The Company recorded gross profit from services in Q1/2026 of Baht (0.32) million, representing a decrease of Baht 1.67 million, or 123.70%, compared with the same period of the previous year, which amounted to Baht 1.35 million. Compared with Q4/2025, gross profit from services increased by Baht 0.02 million, or 5.88%, from Baht (0.34) million in Q4/2025. The decrease was mainly due to higher construction costs charged by subcontractors for modular house installation contracting projects.

In Q1/2026, the Company recorded profit before tax of Baht 1.33 million, representing a decrease of Baht 2.52 million, or 65.45%, compared with the same period of the previous year. The decrease was mainly due to lower operating revenue, while selling and administrative expenses increased. Compared with Q4/2025, the Company's profit before tax increased by Baht 1.77 million, or 402.27%, from Baht (0.44) million in Q4/2025. The improvement was mainly driven by higher revenue from the sale of goods and an increase in gross profit from the sale of goods, resulting from the Company's procurement of products from additional new suppliers.

The Company recorded EBITDA of Baht 3.84 million in Q1/2026, representing a decrease of Baht 2.78 million, or 40.99%, compared with the same period of the previous year, mainly due to a decrease in net profit. Compared with Q4/2025, EBITDA increased by 94.92%, mainly due to an increase in net profit.

## Operating Expenses and Finance Costs

Unit: Million Baht

	Q1-2026	Q1-2025	Increase (Decrease)	% Increase (Decrease)	Q4-2025	Increase (Decrease)	% Increase (Decrease)
Distribution expenses	10.55	9.14	1.41	15.43%	9.73	0.82	8.43%
Administrative expenses	10.91	9.99	0.92	9.21%	10.47	0.44	4.20%
Financial cost	0.45	0.58	(0.13)	(22.41%)	0.49	(0.04)	(8.16%)
Income tax expense (income)	0.40	0.82	(0.42)	(51.22%)	(0.06)	0.46	766.67%

### Distribution Expenses

The Company recorded distribution expenses for Q1/2026 of Baht 10.55 million, representing an increase of 15.43% compared with the same period of the previous year. Although sales declined, advertising expenses, transportation costs, and sales staff salaries increased, as the Company was in the process of driving its technology and communication business to achieve its targeted results. Compared with Q4/2025, distribution expenses increased by Baht 0.82 million, or 8.43%, from Baht 9.73 million in Q4/2025. The increase was mainly due to higher advertising activities, as well as additional labor costs incurred from engaging specialists in communication technology.

### Administrative Expenses

Administrative expenses for Q1/2026 amounted to Baht 10.91 million, representing an increase of 9.21% compared with the same period of the previous year. The increase was mainly due to annual salary adjustments and higher office service expenses. Compared with Q4/2025, administrative expenses increased by Baht 0.44 million, or 4.20%, from Baht 10.47 million in Q4/2025. The increase was mainly due to higher staff catering and recreational expenses, as well as higher computer software service fees.

### Finance Costs

Finance costs for Q1/2026 amounted to Baht 0.45 million, representing a decrease of 22.41% compared with the same period of the previous year, which amounted to Baht 0.58 million. Finance costs also decreased by 8.16% compared with Q4/2025, which amounted to Baht 0.49 million. The decrease was mainly due to the Company's strong liquidity position, resulting in no additional borrowings from financial institutions and no utilization of overdraft facilities. In addition, interest expenses on long-term borrowings and right-of-use assets also declined.

### Income Tax Expense

Income tax expense for Q1/2026 amounted to Baht 0.40 million, representing a decrease of 51.22% compared with the same period of the previous year, which amounted to Baht 0.82 million. The decrease was mainly due to lower operating profit. Compared with Q4/2025, income tax expense increased by 766.67%, from Baht (0.06) million in Q4/2025, mainly due to the increase in operating profit.

## Summary of Financial Position

### Assets / Liabilities and Shareholders' Equity

Unit: Million Baht

	March 31, 2026	December 31, 2025	Increase (Decrease)	% Increase (Decrease)
Current assets	289.12	267.37	21.75	8.13%
Non-current assets	159.95	159.52	0.43	0.27%
<b>Total assets</b>	<b>449.07</b>	<b>426.89</b>	<b>22.18</b>	<b>5.20%</b>
Current liabilities	134.56	111.85	22.71	20.30%
Non-current liabilities	27.45	28.90	(1.45)	(5.02%)
<b>Total liabilities</b>	<b>162.01</b>	<b>140.75</b>	<b>21.26</b>	<b>15.10%</b>
<b>Shareholders' equity</b>	<b>287.06</b>	<b>286.14</b>	<b>0.92</b>	<b>0.32%</b>

### Assets

As of 31 March 2026, the Company's total assets amounted to Baht 449.07 million, representing an increase of Baht 22.18 million, or 5.20%, compared with total assets as of 31 December 2025, which amounted to Baht 426.89 million. The increase was mainly attributable to an increase in bank deposits of Baht 7.51 million, trade and other receivables of Baht 14.16 million, and inventories of Baht 7.35 million, while unbilled revenue decreased by Baht 5.89 million. These movements were in line with the increase in sales compared with the period from October to December 2025, which resulted in higher trade receivables. In addition, the Company increased product call-off orders for inventory stocking to support future sales.

### Asset quality

#### Trade receivables

Unit: Million Baht

	Financial Statements	
	March 31, 2026	December 31, 2025
Trade receivables	100.92	86.81
<b>Less Allowance for expected credit loss</b>	<b>(7.98)</b>	<b>(8.03)</b>
<b>Total trade receivables-net</b>	<b>92.94</b>	<b>78.78</b>

As of 31 March 2026 and 31 December 2025, the Company recorded an allowance for expected credit losses of Baht 7.98 million and Baht 8.03 million, respectively. The Company recognizes expected credit losses on trade receivables without the need to wait until a credit-impaired event occurs. The Company determines the allowance for expected credit losses based on the ECL table when considering lifetime expected losses for trade receivables. The Company also maintains trade credit insurance to mitigate such risk.

## Inventory

Unit: Million Baht

	Financial Statements	
	March 31, 2026	December 31, 2025
Inventory	98.28	90.66
<b>Less</b> Allowance for product impairment	(10.68)	(10.41)
<b>Inventory-net</b>	<b>87.60</b>	<b>80.25</b>

As of 31 March 2026, the Company recorded a write-down of inventory cost to net realizable value in the amount of Baht 0.27 million, compared with 31 December 2025. The Company estimated the net realizable value of inventories based on changes in selling prices or costs directly related to events occurring after the end of the reporting period (NRV) and also considered inventory movements and the prevailing economic conditions (Aging). Management believes that the current write-down of inventories to net realizable value is adequate.

## Total Liabilities

As of 31 March 2026, the Company's total liabilities amounted to Baht 162.01 million, representing an increase of Baht 21.26 million, or 15.10%, compared with total liabilities as of 31 December 2025, which amounted to Baht 140.75 million. The increase was mainly attributable to an increase in trade and other payables of Baht 23.23 million. Meanwhile, long-term borrowings decreased by Baht 1.50 million, lease liabilities decreased by Baht 0.27 million, and non-current provisions for employee benefits increased by Baht 0.32 million.

## Shareholders' Equity

As of 31 March 2026, the Company's shareholders' equity amounted to Baht 287.06 million, representing an increase of Baht 0.92 million, or 0.32%, compared with shareholders' equity as of 31 December 2025, which amounted to Baht 286.14 million. The increase was attributable to the profit for Q1/2026 of Baht 0.92 million.

## Appropriateness of Capital Structure

As of 31 March 2026, the debt-to-equity ratio was 0.56 times, increasing from 0.49 times as of 31 December 2025. The increase was mainly due to the increase in liabilities, which rose at a higher proportion compared with the increase in shareholders' equity.

## Cash Flows

(Unit: Million Baht)

**Q1-2026**

Net cash from (used in) operating activities	11.63
Net cash from (used in) investing activities	(1.98)
Net cash from (used in) financing activities	(2.14)

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Net increase in cash and cash equivalents	7.51
Cash and cash equivalents at the beginning of the period	87.98
Cash and cash equivalents at the end of the period	95.49

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For the period ended 31 March 2026, cash and cash equivalents increased by a net amount of Baht 7.51 million. The Company had cash and cash equivalents at the beginning of the period of Baht 87.98 million and cash and cash equivalents at the end of the period of Baht 95.49 million. Details of cash flows from each activity are as follows:

Net cash generated from operating activities amounted to Baht 12.15 million, resulting from operating profit before changes in operating assets and liabilities of Baht 4.31 million, an increase in trade receivables of Baht 6.68 million, an increase in trade and other current payables of Baht 22.85 million, an increase in inventories of Baht 7.48 million, and income tax paid of Baht 0.34 million.

Net cash used in investing activities amounted to Baht 2.45 million. This was mainly used for the purchase of assets relating to office equipment, computer equipment, and equipment for FTTx installation in the amount of Baht 2.10 million, and the purchase of computer software in the amount of Baht 0.36 million.

Net cash used in financing activities amounted to Baht 2.19 million. This was mainly used for the payment of finance costs in the amount of Baht 0.43 million, repayment of long-term borrowings in the amount of Baht 1.50 million, and payment of lease liabilities in the amount of Baht 0.27 million.

## Key Financial Ratios

	Q1	YTD	
<b>Return Rate (%)</b>	<b>2026</b>	<b>2025</b>	Return on assets and return on shareholders' equity decreased from 2025, mainly due to the decrease in operating profit in Q1/2026.
Return on Asset (ROA)	0.21	1.10	
Return on Equity (ROE)	0.32	1.64	
<b>Liquidity Ratio (times)</b>			The current ratio and quick ratio decreased from 2025, as current assets increased mainly from trade receivables and inventories, while liabilities also increased, particularly trade payables.
Current Ratio	2.15	2.39	
Quick Ratio	1.50	1.67	
<b>Asset and Liability Management (days)</b>			The average collection period increased by 1 day, from 58 days to 59 days. The Company has a policy to grant trade credit and determine credit limits based on the appropriateness of each customer.
Average Collection Period	59	58	
Average Inventory Period	70	63	
Average Payment Period	79	77	
<b>Debt Ratio Analysis (times)</b>			The average inventory turnover period increased by 7 days, from 63 days in the previous year to 70 days in Q1/2026, due to the increase in product call-in orders for inventory.
Times Interest Earned	3.96	3.83	
DSCR	1.72	1.83	
Loans from Financial Institutions to Debt	8%	11%	
<b>Debt to Equity Ratio Analysis (times)</b>			The average payment period increased by 2 days, from 77 days in the previous year to 79 days in Q1/2026, as the Company purchased more goods to support sales for the year, resulting in an increase in trade payables.
Total Debt to Equity (D/E Ratio)	0.56	0.49	

Remark: The asset and liability management is calculated from 90 days.

## Debt Ratio Analysis

The interest coverage ratio increased from 3.83 times in the previous year to 3.96 times in Q1/2026, mainly due to an increase in operating profit and a decrease in finance costs. However, the debt service coverage ratio (DSCR) decreased from 1.83 times in the previous year to 1.72 times in Q1/2026, mainly due to the decrease in the Company's operating profit.

## Debt-to-Equity Ratio Analysis

The debt-to-equity ratio (D/E Ratio) increased from 0.49 times in the previous year to 0.56 times in Q1/2026, mainly due to the increase in the Company's liabilities, which increased at a higher proportion than the increase in operating profit.

The Company did not breach any financial covenants relating to the maintenance of the D/E Ratio and DSCR with financial institutions.

### Business Outlook for the Next Quarter

The Company expects to continue expanding its business from its existing revenue base in Smart Construction, while accelerating the development of new solutions that can be further developed into recurring revenue streams. Key focus areas include Retrofit & Energy Management, Data Platform, Smart Monitoring, Smart Ventilation / Energy Recovery Ventilation, and Well Building & Wellness, which are business segments aligned with market trends in energy, wellbeing, ESG, and cost management for real estate projects.

The Company sees opportunities to expand into the home and building improvement market by transforming existing homes and buildings into energy-efficient properties through solutions such as Solar Rooftop, EV Charger, Energy Monitoring, and after-installation maintenance services. This will be supported by collaboration with strategic partners, such as banks, suppliers, and project developers, in order to increase access to new customer segments and mitigate the impact of the slowdown in private sector construction.

For the Data Platform business, the Company expects to accelerate the testing and expansion of pilot projects, such as Daily / Weekly / Monthly safety reporting systems, CCTV monitoring systems, and systems for monitoring operational performance in housing estate projects. If these pilot projects can clearly demonstrate cost reduction benefits for customers, the Company will have opportunities to further develop them into recurring revenue streams from other projects in the future. For new product categories, particularly Energy Recovery Ventilation, the Company sees opportunities to further expand into the direct-to-consumer market, as the product addresses both fresh air ventilation and indoor air purification needs. This is in line with consumer behavior that increasingly emphasizes air quality, health, and modern living standards.

Nevertheless, the Company assesses that key risks in the next quarter will remain related to the real estate market conditions, the slowdown in private sector investment, supply chain volatility, raw material costs, and personnel readiness to provide services for new technologies. Accordingly, the Company has established risk management approaches by focusing on projects with measurable outcomes, further developing operational standards or SOPs, negotiating with suppliers to manage costs, and selecting investments with careful consideration of returns and liquidity.