August 14, 2026

Subject : Management's Discussion and Analysis for the 2nd quarter ending June 30, 2026, Changing in operation results was over 20 percent.

Attn : The President

The Stock Exchange of Thailand

Siam Steel International Public Company Limited has submitted the consolidated financial statements of the 2nd quarter for the three-month period ended June 30, 2026. It is noted that the change in net profit (loss) was over than 20 percent compared with the previous year. The Company would explain in the Management's Discussion and Analysis for the 2nd quarter period ending June 30, 2026 as follows:

1. Operating Results

Consolidated Statements of Comprehensive Income for the three-month period ended June 30, 2026 and 2025

Consolidated Financial Statements	The Second quarter 2026		The Second quarter 2025		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales and services	232	96%	328	97%	(96)	(29%)
Rental income	9	4%	9	3%	0	0%
Total Revenues	**241**	**100%**	**337**	**100%**	**(96)**	**(28%)**
Costs of sales and services	191		274		(83)	(30%)
Cost of rental	3		2		1	50%
Total Costs of Sales and Services	**194**	**80%**	**276**	**82%**	**(82)**	**(30%)**
Sales and services gross profit	41		54		(13)	(24%)
Gross profit from rental	6		7		(1)	(14%)
Total Gross Income	**47**	**20%**	**61**	**18%**	**(14)**	**(23%)**
Other income	16	7%	19	6%	(3)	(16%)
Selling and administrative expenses	(67)	(28%)	(83)	(25%)	16	19%
Profit (Loss) from Operations	**(4)**	**(2%)**	**(3)**	**(1%)**	**(1)**	**(33%)**
Financial costs	(1)	(0%)	(1)	(0%)	0	0%
Expected Credit Loss	1	1%	2	1%	(1)	(50%)
Profit in associated companies on equity method	16	7%	14	4%	2	14%
Profit (Loss) before Income Tax	**12**	**5%**	**12**	**4%**	**0**	**0%**
Income tax	0	0%	0	0%	0	0%
Equity in non – controlling interests in subsidiaries	0	0%	0	0%	0	0%
Net Profit (Loss) attributable to the Company	**11.6**	**4.98%**	**12.4**	**3.56%**	**(0.8)**	**(7%)**
Net Profit (Loss) per share attributable to the Company (Baht)	**0.020**		**0.021**		**(0.001)**	**(7%)**

1.1 Analysis of overall Operating Results

For the 2nd quarter of the year 2026, the consolidated financial statements of the Company presented total revenues amounting to 241 million baht, decreased by 96 million baht or decreased 28 percent from the same quarter of previous year. Such mainly change resulted from the decrease in furniture product group and renewable energy business group. However, this year the Company still has the action plan of human resources development in marketing and production, as well as increasing new products to response the customer's requirements to enable sales volume increase, includes developing the organization to generate stable income in the future.

Total Revenues

For the 2nd quarter of this year, the consolidated financial statements of the Company's presented total revenues amounting to 241 million baht, decreased by 96 million baht or decreased 28 percent. This was mainly resulted from the decrease in furniture product group and renewable energy business group. Total revenues in the 2nd quarter of this year consisted of following income:

- Revenues from sales of furniture and flood protection wall totaling 232 million baht, decreased by 47 million baht or decreased 17 percent from the 2nd quarter of previous year.

- Revenues from renewable energy business group generated no revenue in the 2nd quarter of this year, unlike previous year when it generated 49 million baht, representing a 100% decrease in revenue.

- Revenues from rental of this year 9 million baht, which is the same as previous year.

Other Income

The consolidated financial statements of the Company for the 2nd quarter of this year presented other income decreasing from the 2nd quarter of previous year by 3 million baht, or decreased 16 percent. Other income in the 2nd quarter of this year were mainly from other services and dividend income.

Cost of Sales and Expenses

- The consolidated financial statements of the Company presented total cost of sales and services for the 2nd quarter of this year amounting to 194 million baht, decreased by 82 million baht or decreased 30 percent from the 2nd quarter of previous year. For the ratio of total cost of sales and services to total revenue for the 2nd quarter of year 2026 and the 2nd quarter of year 2025 was 80 percent and 82 percent, respectively.

- The consolidated financial statements of the Company presented selling and administrative expenses of the 2nd quarter of this year amounting to 67 million baht, decreased by 16 million baht or decreased 19 percent from the 2nd quarter of previous year. This was mostly resulted from decreasing of selling expenses. For the ratio of selling and administrative expenses to total revenues for the 2nd quarter of year 2026 and the 2nd quarter of year 2025 was 28 percent and 25 percent, respectively.

- The consolidated financial statements of the Company presented financial cost for the 2nd quarter of this year amounting to 1 million baht, same as previous year. This was mainly resulted from the interest expenses of loans from domestic financial institutions for operating in renewable energy business group.

Gross Profit

- The consolidated financial statements of the Company for the 2nd quarter of the year 2026 presented gross profit amounting to 47 million baht, decreased by 14 million baht or decreased 23 percent from the 2nd quarter of previous year. The gross profit ratio for the 2nd quarter of the year 2026 and the 2nd quarter of the year 2025 was 20 percent and 18 percent, respectively.

Profit in associated companies on equity method

- The consolidated financial statements of the Company of the profit in associated on equity method for the 2nd quarter of the year 2026 presented profit amounting to 16 million baht, increased by 2 million baht or increased 14 percent from the 2nd quarter of previous year that was caused by 2 associated companies which has the total net profit increasing.

Net Profit (Loss)

- The consolidated financial statements of the Company presented net profit amounting to 11.6 million baht for the 2nd quarter of the year 2026 and net profit amounting to 12.4 million baht for the 2nd quarter of the year 2025, profit decreased from previous year by 0.8 million baht or decreased 7 percent. For the net profit ratio of the 2nd quarter of the year 2026 was 4.98 percent and the 2nd quarter of the year 2025 was net profit 3.56 percent.

2. Financial positions

Statements of Financial positions as of June 30, 2026 and December 31, 2025

Consolidated financial statement	**June 30, 2026**		**December 31, 2025**		**Change**	
	Million Baht	**%**	**Million Baht**	**%**	**Million Baht**	**%**
Assets						
Cash and cash equivalents	598	18%	508	15%	90	18%
Trade accounts receivable - net	79	2%	86	3%	(7)	(8%)
Inventories – net	200	6%	252	7%	(52)	(21%)
Other current assets	62	2%	109	3%	(47)	(43%)
Total Current Assets	**939**	**28%**	**955**	**28%**	**(16)**	**(2%)**
Investments	1,171	34%	1,175	34%	(4)	(0%)
Property, plant and equipment - net	1,198	35%	1,218	35%	(20)	(2%)
Other non - current assets	88	3%	97	3%	(9)	(9%)
Total Non - Current Assets	2,457	72%	2,490	72%	(33)	(1%)
Total Assets	**3,396**	**100%**	**3,445**	**100%**	**(49)**	**(1%)**
Liabilities and Shareholders' Equity						
Short-term loans from financial institutions	50	2%	50	2%	0	0%
Trade accounts payable	177	5%	221	6%	(44)	(20%)
Lease Liability; due within 1 year	11	0%	12	0%	(1)	(8%)
Short-term loans from related company	119	4%	119	4%	0	0%
Other current liabilities	114	3%	112	3%	2	2%
Total Current Liabilities	**471**	**14%**	**514**	**15%**	**(43)**	**(8%)**
Employee benefits obligation	53	2%	53	1%	0	0%
Other non - current liabilities	106	3%	133	4%	(27)	(20%)
Total Non - Current Liabilities	159	5%	186	5%	(27)	(15%)
Total Liabilities	630	19%	700	20%	(70)	(10%)
Shareholders' equity to the Company's	2,545	75%	2,528	74%	17	1%
Shareholders' equity non-controlling interests' equity	221	6%	217	6%	4	2%
Total Shareholders' equity	2,766	81%	2,745	80%	21	1%
Total Liabilities and Shareholders' Equity	**3,396**	**100%**	**3,445**	**100%**	**(49)**	**(1%)**

2.1 Analysis of the financial position of the Company and its subsidiaries as at June 30, 2026 and December 31, 2025

Total Assets

As at the end of the 2nd quarter of the year 2026, the consolidated financial statements of the Company presented total assets amounting to 3,396 million baht, decreased by 49 million baht from the end of December 31, 2025. This was mainly decreasing from the net inventories and other current assets.

The structure of Total assets presented in the consolidated financial statements of the Company as at the end of the 2nd quarter of this year consisted of cash and cash equivalents 18 percent, trade accounts receivable 2 percent, net inventories 6 percent and other current assets 2 percent, investments in associated companies and other companies 34 percent, Property, plant and equipment 35 percent and other non-current assets 3 percent. Whereby the structure of total assets at the end of previous year consisted of cash and cash equivalents 15 percent, trade accounts receivable 3 percent, net inventories 7 percent and other current assets 3 percent, investments in associated companies and other companies 34 percent, property, plant and equipment 35 percent and other non-current assets 3 percent.

- Cash and cash equivalents at the end of the 2nd quarter of the year 2026 was 598 million baht, increased from the end of previous year by 90 million baht, as follow:

Cash received from operating activities was 67 million baht. This mostly from inventory decreased and receiving accrued revenue from construction services.

Cash received from investing activities was 33 million baht. This mostly received from dividends.

Cash used for financing activities was 10 million baht. This mostly are payments for long-term lease liabilities.

- Trade accounts receivable at the end of the 2nd quarter of the year 2026 was 79 million baht, decreased from the end of previous year of 7 million baht. The balance of trade accounts receivable at the end of the 2nd quarter of the year 2026 of which separated as 90 percent of such accounts receivable was not yet due, 2 percent of accounts receivable was overdue less than 3 months and 8 percent of accounts receivable was overdue more than 3 months. However, the Company and its subsidiaries have monitored closely for the debts collection. The company will consider the possibility of receiving the payment of debt. In addition, in the case of some debtors being in the process of collection, the Company will provide the appropriate proceed to record the allowance for doubtful accounts. At the end of the 2nd quarter of this year, balance of allowance for doubtful account was 42 million baht. Receivable turnover rate at the end of the 2nd quarter of the year 2026 was 15.51 times and at the end of previous year was 7.98 times. Average debt collection at the end of the 2nd quarter of the year 2026 was 24 days and at the end of previous year was 46 days. Receivable turnover was increased and average debt collection period was decrease because the average receivable was decreased.

- Inventories balance at the end of the 2nd quarter of the year 2026 was 200 million baht, decreased by 52 million baht or decreased 21 percent from the end of previous year. Mostly decreased from the renewable energy business group. The inventory turnover rate at the end of the 2nd quarter of the year 2026 was 4.63 times, and was 4.77 times at the end of previous year.

- Other current assets as of the end of the 2nd quarter of the year 2026 was 62 million baht, decreased by 47 million baht or decreased 43 percent from previous year. This decrease was receiving accrued revenue from construction services.

- Investments at the end of the 2nd quarter of the year 2026 were 1,171 million baht, decreased by 4 million baht or represents 0 percent from the end of previous year.

- Property, plant and equipment – net as at the end of the 2nd quarter of the year 2026 was 1,198 million baht, decreased by 20 million baht or decreased 2 percent from the end of previous year. Mostly assets were property, plant and equipment in furniture business and from investment of renewable energy business group in the form of buildings and machinery which decreased from depreciation.

Total liabilities

As at the end of the 2nd quarter of this year, the consolidated financial statements of the Company presented total liabilities of 630 million baht, decreased by 70 million baht or decreased 10 percent from the previous year. Mostly decreased from trade accounts payable and other current liabilities.

- As at the end of the 2nd quarter of this year, short-term loan from financial institution was 50 million baht. Mostly are the promissory note of the subsidiary company for the operation.

- As at the end of the 2nd quarter of this year, trade accounts payable was 117 million baht, decreased by 44 million baht or decreased 20 percent from previous year.

- As at the end of the 2nd quarter of this year, short-term loan from related companies was 119 million baht, the balance is equal to the end of the previous year. Mostly are loans of companies in the renewable energy business group which is an indirect subsidiary of the company, loans from related companies to spend in the business.

- As at the end of the 2nd quarter of this year, other current liabilities were 114 million baht, increased by 2 million baht or increased 2 percent from previous year.

- As at the end of the 2nd quarter of this year, other non-current liabilities were 106 million baht, decreased by 27 million baht or decreased 20 percent from previous year. This was mainly resulted from the recognition of the liabilities according to the lease agreement for car, machinery and the land for operation and deferred tax liabilities.

Shareholders' equity

As at the end of the 2nd quarter of this year, the consolidated financial statements of the Company presented the shareholders' equity of 2,766 million baht, as at the end of previous year was 2,745 million baht, increased by 21 million baht from previous year. This caused by the turnover of group of companies has the net profit.

Book value as at the end of the 2nd quarter of this year and as at the end of previous year was 4.66 and 4.63 baht per share, respectively.

2.2 Liquidity and significant financial ratios

Statements of Cash flows for the six-month period ended June 30, 2026

Consolidated financial statements	Unit : Million Baht
Net cash from (used for) operating activities	67
Net cash from (used for) investing activities	33
Net cash from (used for) in financing activities	(10)
Increase (Decrease) in cash and cash equivalents - net	**90**
Cash and cash equivalents at the beginning of period	**508**
Cash and cash equivalents at the end of period	**598**

Liquidity of the consolidated financial statement of the Company as at the end of the 2nd quarter of this year, the Company held the balance of cash at the end of period amounting to 598 million baht, 508 million baht at the end of previous year. Cash flow increased by 90 million baht, this was related to:

- Cash flow received from operating activities amounting to 67 million baht. This mostly from inventory decreased 51 million baht and receiving accrued revenue from construction services 46 million baht .
- Cash flow received from investing activities 33 million baht. This mostly received from dividend amounting to 50 million baht.
- Cash flow spent with financing activities 10 million baht. This mostly used to payments for long-term lease liabilities amounting to 7 million baht.

The current ratio was increased from 1.86 times as at the end of previous year to 1.99 times as at the end of the 2nd quarter of this year. The quick ratio was increased from 1.16 times as at the end of previous year to 1.44 times as at the end of the 2nd quarter of this year. However, both ratios represented positive favorable liquidity of the Company and its subsidiaries.

In consideration of the ability for the debt repayment as at the end of the 2nd quarter of this year and the end of previous year, the Company and its subsidiaries still maintained good ability for debt payment. Considering from the debt to the ratio, Showing 0.26 times at the end of previous year and 0.23 times at the end of the 2nd quarter of this year.

3. Significant factors that may affect the future of finance position or future operation

The stability of local political

If domestic politics is not stable, it will result in the government's spending. Government spending to stimulate the economy will be reduced. As a result, the industrial growth will be shrunken, the purchase order will also be reduced.

Foreign market

Due to the global economic situation, the recovery of the international market may lead to the company receiving more purchase orders.

Raw material pricing

Steel is core raw material for production. If steel price is fluctuated, it may affect the orders and production costs.

Foreign Exchange Rate

If the Baht is strengthened against foreign currency continuously, this may affect the Company's sales in Baht value. In addition, the Company may lose ability in its competitiveness compared to competitors and may get loss from exchange rates.

Please be informed accordingly,

Yours sincerely,

(Mr. Surapol Kunanantakul)
President
Siam Steel International Public Company Limited