EMC 015/2026

August 13, 2026

Subject : Management Discussion and Analysis as of Q2/2026

Attention : The Director and the Manager

The Stock Exchange of Thailand

EMC Public Company Limited and its subsidiaries (the "Company") would like to provide an explanation of its operating results for the three-month period ended June 30, 2026 (Q2/2026). The Company reported a net loss of Baht 36.76 million, an increase of Baht 1.88 million, or 5.39%, compared with the same period of 2025, when the Company reported a net loss of Baht 34.88 million. The operating results for the quarter were affected by the fact that the Company had substantially completed the delivery of most of its projects, while the number of projects currently under execution remained limited. As a result, project-related revenue was not yet at a level sufficient to fully absorb operating costs and expenses efficiently.

The Company has continued to adjust its cost management approach and operating structure, with a focus on streamlining work processes to improve efficiency, reducing unnecessary procedures and expenses, and exploring the application of technology and digital systems to its business processes. These initiatives are aimed at improving operational efficiency, reducing costs, and enhancing organizational productivity. From a business operations perspective, the Company is currently preparing for new projects that have already been awarded through bidding processes. Construction is expected to commence and revenue recognition to gradually begin by the end of 2026. These projects are expected to be an important factor in expanding the Company's revenue base and supporting the recovery of its operating performance in subsequent periods.

For the six-month period ended June 30, 2026, the Company reported a net loss of Baht 70.00 million, representing a decrease of Baht 171.23 million, or 70.98%, from the same period of the previous year, which recorded a net loss of Baht 241.23 million. This reflects a significant reduction in the Company's net loss compared with the same period of the previous year, despite the Company remaining in a transitional period between the completion and delivery of existing projects and the commencement of new projects.

For the six-month period, the Company's net loss margin was 62.08% of total revenue, which continues to reflect the need to accelerate the expansion of its project backlog and revenue base, while maintaining strict control over costs and expenses. These measures are intended to align the cost structure with the level of revenue and support a continued reduction in losses.

Overall, the Company places importance on cost management, restructuring its operating processes, enhancing efficiency through the adoption of technology, and accelerating the implementation of newly awarded projects in order to establish a more stable revenue base and improve its profitability. The Company will continue to closely monitor the situation and manage its resources in line with the volume of work, with the aim of supporting the recovery of its operating performance and strengthening its long-term competitiveness.

Details of the Company’s operating results for the period ended June 30, 2026, can be summarized as follows:

Analyze operating results

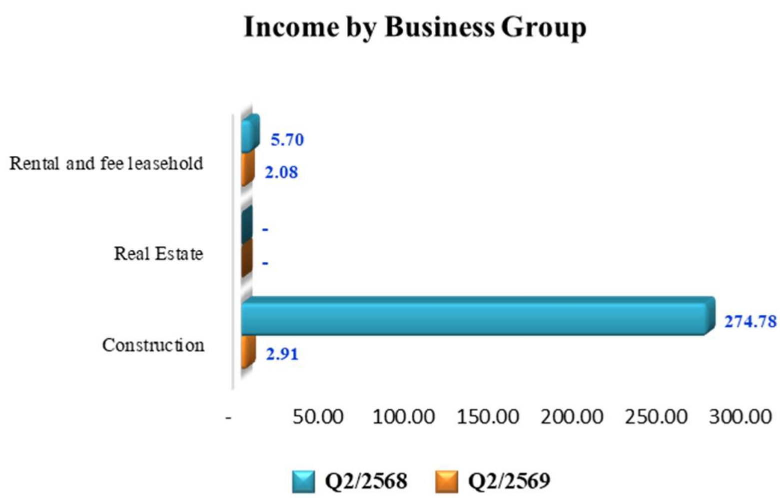
Company's Performance	Consolidated		+ (-)		Consolidated		+ (-)	
For Q2/ 2025 (Million Baht)	Q2/2025	Q2/2024	MB	%	6M/2025	6M/2024	MB	%
Revenue from operation	4.99	280.48	(275.49)	-98.22%	85.83	514.09	(428.26)	-83.30%
Costs of construction and real estate	(12.28)	(289.58)	(277.30)	-95.76%	(85.99)	(692.61)	(606.62)	-87.58%
Gross Profit (Loss)	**(7.29)**	**(9.10)**	1.81	-19.89%	**(0.16)**	**(178.52)**	**178.36**	**99.91%**
Other Revenues	9.73	13.84	(4.11)	-29.70%	26.93	15.93	11.00	69.05%
Selling and Administrative Expenses	(33.67)	(25.81)	7.86	30.45%	(84.14)	(53.76)	30.38	56.51%
EBIT	**(31.23)**	**(21.07)**	**(10.16)**	**48.22%**	**(57.37)**	**(216.35)**	**158.98**	**-73.48%**
Financial income	1.21	0.21	1.00	476.19%	1.56	0.37	1.19	321.62%
Financial cost	(6.85)	(14.13)	(7.28)	-51.52%	(14.41)	(25.46)	(11.05)	-43.40%
Share of loss of joint ventures and associates accounted for using eq	(0.06)	(0.06)	-	0.00%	(0.11)	(0.12)	(0.01)	-8.33%
Operating Profit (Loss)	**(36.93)**	**(35.05)**	**(1.88)**	**5.36%**	**(70.33)**	**(241.56)**	**171.23**	**70.89%**
Corporate Tax (Expenses) Rev	0.17	0.17	-	0.00%	0.33	0.33	-	0.00%
Net Profit (Loss)	**(36.76)**	**(34.88)**	**(1.88)**	**5.39%**	**(70.00)**	**(241.23)**	**171.23**	**70.98%**
Equity holders of the Company	**(36.47)**	**(34.58)**	**(1.89)**	**5.47%**	**(69.54)**	**(240.65)**	**171.11**	**71.10%**
Non-controlling interests of the subsidiary	(0.29)	(0.30)	(0.01)	-3.33%	(0.46)	(0.58)	(0.12)	-20.69%
Earnings (loss) per share (Baht/Share)	**(0.003)**	**(0.003)**	**(0.00)**	-5.47%	**(0.006)**	**(0.019)**	**0.01**	**70.91%**
Gross Profit Margin	**-146.09%**	**-3.24%**	**-142.85%**		**-0.19%**	**-34.73%**	**34.54%**	
Net Profit Margin	**-249.73%**	**-11.85%**	**-237.88%**		**-62.08%**	**-45.51%**	**34.54%**	

REVENUES FROM THE OPERATION

For the second quarter of 2026 (Q2/2026), the Company and its subsidiaries reported operating revenue of THB 4.99 million, a decrease of THB 275.49 million, or 98.22%, compared with THB 280.48 million recorded in the corresponding period of 2025.The Group's total revenue amounted to THB 14.72 million, representing a decrease of THB 279.60 million, or 95.01%, from THB 294.32 million reported in the same period of the previous year.

However, the Company has accelerated its preparations for newly awarded projects, with construction expected to commence and revenue to be gradually recognized by the end of 2026. These projects are expected to be a key factor in expanding the Company's revenue base in the subsequent period. In addition, the Company continues to implement strict measures to control costs and expenses, including restructuring its work processes and adopting appropriate technologies, in order to align its cost structure with the level of revenue and support business expansion once the new projects commence.

Overall, the decline in revenue in Q2/2026 was primarily attributable to the timing of revenue recognition during the transition period between projects, rather than a long-term change in the Company's business structure. The Company continues to focus on increasing its project backlog, accelerating the execution of awarded projects, and building a sustainable and recurring revenue base to support the recovery of its operating performance in subsequent periods.



<u>REVENUE FROM CONDTRUCTION</u> For Q2/2026, Construction revenue for Q2/2026 amounted to THB 2.91 million, representing a decrease of THB 271.87 million, or 98.94%, compared with THB 274.78 million reported in the corresponding period of the previous year. _The primary reason was that most of the existing projects had already been completed and delivered, while the new projects were still in the preparation stage prior to commencement of operations.

<u>REVENUE FROM SALES OF REAL ESTATE</u> For Q2/2026, the Group recorded no revenue from real estate sales, consistent with the corresponding period of the previous year.

<u>RENTAL INCOME AND FEE LEASEHOLD</u> For Q2/2026, Revenue from rental and services for Q2/2026 amounted to THB 2.08 million, representing a decrease of THB 3.62 million, or 63.51%, compared with THB 5.70 million recorded in the corresponding period of the previous year. This was consistent with the level of utilization and services provided by the assets during the period.

CONSTRUCTION AND REAL ESTATE COSTS

For Q2/2026, the Company and its subsidiaries reported total construction costs and real estate sales costs of THB 12.28 million, representing 246.09% of operating revenue.The total construction costs and real estate sales costs decreased by THB 277.30 million, or 95.76%, compared with the corresponding period of 2025, which recorded total construction costs and real estate sales costs of THB 289.58 million. This was consistent with the decline in revenue and project volume from existing projects that were in the process of being delivered, while new projects remained in the preparation stage.

Although total costs decreased, the cost-to-revenue ratio increased significantly, as operating revenue declined at a greater rate than the reduction in costs during the period. Accordingly, the Company continues to focus on managing costs and resources in line with the volume of work, while preparing its cost structure for new projects to support the expected increase in revenue and improve profitability in the subsequent period.

DISTRIBUTION COST AND ADMINISTRATION EXPENSES

For Q2/2026, the Company and its subsidiaries reported selling expenses and administrative expenses totaling THB 33.67 million, representing 228.74% of total revenue.These expenses increased by THB 7.86 million, or 30.45%, compared with the corresponding period of 2025. The increase was mainly attributable to a rise in administrative expenses of THB 8.89 million. Meanwhile, total revenue declined significantly, resulting in an increase in the expense-to-revenue ratio. The Company recognizes the importance of managing its cost structure during periods of lower revenue and has therefore implemented strict expense control measures, streamlined work processes, and managed resources in line with the volume of work to enhance operational efficiency and support the commencement of new projects in the subsequent period.

FINANCIAL COSTS

Finance costs for Q2/2026 amounted to THB 6.85 million, representing a decrease of THB 7.28 million, or 51.52%, compared with the same period of the previous year. This reflected a reduction in the Company's financial costs and more efficient management of its funding sources. The Company continues to place importance on prudent management of its debt structure, liquidity, and financing costs to keep its financial burden at an appropriate level and support the Company's long-term financial stability.

NET PROFITS

For Q2/2026, the Company and its subsidiaries reported a net loss of Baht 36.76 million, an increase of Baht 1.88 million, or 5.39%, compared with the same period of the previous year, which recorded a net loss of Baht 34.88 million. The net loss margin was 249.73% of total revenue. The loss for the period was primarily attributable to a significant decline in operating revenue during the transition period between existing and new projects, while the Company continued to incur necessary operating costs and expenses. As a result, costs and expenses accounted for a high proportion of revenue.

However, the Company is currently preparing for newly awarded projects, which are expected to commence and gradually generate revenue by the end of 2026. In parallel, the Company continues to implement measures to control costs and expenses in order to align its cost structure with the level of revenue and support the recovery of operating performance and profitability in the subsequent period.Please be informed accordingly.

Yours faithfully,

-Signed-
(Mr.Charlie Jangvijitkul)
Director