Ref. : SEAFCO-26-010

Date : August 14, 2026.

Subject : Clarification of Operating Results for the second quarter ended June 30, 2026

Attention : President
Stock Exchange of Thailand

Seafco Public Company Limited and Subsidiaries would like to report the comparison of the operation income for the second quarter ended June 30, 2026 with the same period in 2025 as follows:-

Business Overview

During the first half of 2026, SEAFCO PUBLIC COMPANY LIMITED and its subsidiaries operated amid an economic environment that began to recover, supported by public-sector and private-sector investment. In particular, investment in mass-transit infrastructure, energy projects and data centers continued to underpin demand for foundation and retaining-wall works.

Nevertheless, the construction contracting industry continued to face challenges from price competition, labor-cost management, material-cost control, global economic volatility and interest rates. These factors required contractors to manage projects more efficiently.

During the first half of the year, the Company focused on securing quality work and selecting projects with appropriate returns. It also improved the utilization of machinery and personnel while closely managing working capital and liquidity in order to deliver sustainable returns to shareholders.

Summary of Operating Results

Operating results for the first six months of 2026 improved significantly from the corresponding period of the previous year. The improvement was driven by higher revenue recognition from construction projects and effective cost management, which resulted in stronger gross profit margin and net profit.

Management continued its policy of selecting projects that offer appropriate returns while maintaining ongoing control over construction costs and operating expenses, with the aim of generating sustainable returns for shareholders.

	Unit : million baht							
	Q2/2026	Q2/2025	Change	%	6M/2026	6M/2025	Change	%
Revenues from construction services	448.02	402.11	45.91	+11.42	915.04	537.38	377.66	+70.28
Other Income	3.20	3.23	(0.03)	-0.92	11.99	5.44	6.55	+120.40
Total Revenues	451.22	405.34	45.88	+11.32	927.03	542.82	384.21	+70.78
Cost of construction services and sale of construction materials	298.05	315.59	(17.54)	-5.56	607.67	501.29	106.38	+21.22
Gross Profit	150.27	86.57	63.70	+73.58	307.84	36.68	271.16	+739.26
Administrative and other expenses	27.21	29.56	(2.35)	-7.95	57.07	56.91	0.16	-0.28

Revenue Analysis

Total revenue for the three-month period of the second quarter increased by Baht 45.88 million, or 11.32%, while total revenue for the six-month period increased by Baht 384.21 million, or 70.78%. The increases were mainly attributable to:

- Revenue recognition from several construction projects that progressed according to plan
- A higher volume of construction work compared with the previous year
- More efficient utilization of machinery and operating resources
- Progressive revenue recognition from projects awarded in prior periods

Cost of Construction

Construction costs increased in line with revenue growth. However, the rate of cost growth was lower than the rate of revenue growth, reflecting:

- Improved productivity
- Higher machinery utilization
- Improved absorption of fixed costs over a larger revenue base
- Effective on-site cost control

Gross Profit

Gross profit for the three-month period of the second quarter increased by Baht 63.70 million, or 73.58%, while gross profit for the six-month period increased by Baht 271.16 million, or 739.26%, reflecting:

- An improved project mix
- Higher margins on awarded projects
- Effective cost management

Administrative and Other Expenses

Administrative and other expenses increased at a lower rate than revenue, indicating that economies of scale had begun to materialize. The Company effectively managed corporate overhead while maintaining the following expenses at appropriate levels:

- Office expenses
- Personnel expenses
- Project support expenses

Gain on Loss of Control of a Subsidiary

The Company disposed of its entire investment in SEAFCO Construction Co., Ltd., which had been inactive for several years. As a result, the Company recognized an accounting gain of Baht 11.29 million from the loss of control. The entire investment was disposed of in the second quarter of 2026.

	Unit : million baht							
	3M/2026	3M/2025	Change	%	6M/2026	6M/2025	Change	%
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)	178.09	96.43	81.66	+84.68	353.48	50.02	303.46	+606.67
Profit (loss) for the period	100.68	36.53	64.15	+175.61	205.65	(25.79)	231.44	+897.40
Profit (loss) Owner of the parent	100.95	37.16	63.79	+171.66	205.54	(24.73)	230.27	+931.14

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA increased, reflecting:

- Improved ability to generate cash flow from operations
- Improved core-business efficiency

The Company's emphasis on cash generation rather than revenue growth alone

Net Profit

For the second quarter of 2026, net profit and profit attributable to equity holders of the Company amounted to Baht 100.68 million and Baht 100.95 million, respectively, compared with Baht 36.53 million and Baht 37.16 million, respectively, in the second quarter of 2025. The respective increases were Baht 64.15 million and Baht 63.79 million.

For the first six months of 2026, net profit and profit attributable to equity holders of the Company amounted to Baht 205.65 million and Baht 205.54 million, respectively, compared with net losses of Baht 25.79 million and Baht 24.73 million, respectively, for the first six months of 2025. This represented improvements of 897.40% and 931.14%, respectively, and a significant turnaround in operating performance.

Summary of Financial Position

	Unit : million baht		
	30 June 2026	**31 Dec 2025**	**Change**
Assets			
Current Assets	951.27	967.80	-16.53
Non-current Assets	1,724.49	1,557.00	+167.49
Total Assets	**2,675.76**	**2,524.80**	**+150.96**
Liabilities and equity			
Current l**iabilities**	625.41	679.73	-54.32
Non-current l**iabilities**	320.59	229.40	+91.19
Total liabilities	**946.00**	**909.13**	**+36.87**
Equity	**1,729.76**	**1,615.67**	**+114.09**

Assets Analysis

Total assets increased in line with business expansion, particularly current assets related to construction project operations. The increase in assets reflected:

- Higher revenue recognition from projects
- Investment to support operations
- Working capital management

The Company continued to closely monitor asset quality, particularly trade receivables and current contract assets.

Cash and Cash Equivalents

Cash represents the Company's primary source of liquidity. Cash management focuses on:

- Funding project expenditures
- Debt repayment
- Investment in machinery
- Supporting new projects

The Company maintains a policy of retaining sufficient cash to support business operations and withstand market volatility.

Trade Receivables

Trade receivables are a significant asset in the construction contracting business. The Company focuses on:

- Customer credit assessment
- Collection monitoring
- Allowance for expected credit losses

The Company continuously monitors receivables aging and credit quality to reduce credit risk and preserve liquidity.

Current Contract Assets

Contract assets increase in line with the progress of projects for which the Company has recognized revenue but where work certification and billing under the relevant contract terms remain in process. Management closely monitors the conversion of contract assets into trade receivables and cash inflows from project revenue in order to maintain working capital at an appropriate level.

Property, Plant and Equipment

The Company invests in machinery and equipment to support its construction projects and maintain its competitiveness. In particular, the Company invests in affordable land with excavation pits to secure sufficient disposal sites for soil generated from bored piles and diaphragm wall construction. This strategy helps increase profitability and shorten construction timelines.

Such investments in machinery, land, and buildings provide the following benefits:

- Reduce maintenance and repair costs
- Increase capacity and readiness to undertake additional projects
- Reduce construction time and improve productivity
- Support long-term business growth
- Once the soil pit has been fully utilized and filled, the land can potentially be sold at a higher value, among other benefits.

Liabilities Analysis

Liabilities increased in line with business expansion and working-capital requirements. Nevertheless, management continued to maintain debt within an appropriate range.

Loans

The Company uses borrowings from financial institutions as a source of funding for its operations, with a focus on:

- Finance costs
- Interest-rate management
- Maintaining debt-servicing capacity

Trade Account Payables

Trade account payables fluctuate according to the volume and type of work awarded, particularly whether contracts include or exclude major materials. A greater proportion of contracts excluding major materials results in lower trade payables; conversely, a greater proportion of contracts including major materials results in higher trade payables.

Equity Analysis

Shareholders' equity increased as a result of net profit recognized during the period, reflecting the Company's ability to generate returns from its operations. The Company maintains a strong capital base capable of supporting future business expansion.

Key Financial Ratios

	6M/2569	6M/2568
Current Ratio	1.52	1.08
Quick Ratio	1.41	1.00
Debt-to-Equity Ratio (D/E)	0.55	0.69
Interest Coverage Ratio (ICR)	33.40	(3.03)
Return on Assets (ROA)	7.69%	(1.07%)
Return on Equity (ROE)	11.89%	(1.81%)
Days Sales Outstanding (DSO)	79	92
Cash Conversion Cycle (CCC)	7	(16)
Operating Cash flow (OCF)	109.23	74.99
Net Cash	(91.41)	(60.38)

Liquidity Analysis

The Company places importance on liquidity management through:

- Cash management
- Trade receivables management
- Collection management
- Trade payables management
- Working capital management

The Company has sufficient liquidity for:

- Operations
- Investment
- Supporting new projects
- Meeting debt obligations as they fall due

Capital Structure Analysis

The Company maintains a policy of preserving an appropriate capital structure, taking into account:

- Borrowing capacity
- Finance costs
- Dividend-paying capacity
- Returns to shareholders

The Company will consider appropriate sources of funding for future investments while maintaining a balance between debt and equity.

Cash flow Analysis

The Company places importance on cash flows from operating activities as the primary source of funding for investment and business expansion. The Company closely monitors:

- Cash flows from operating activities
- Cash flows from investing activities
- Cash flows from financing activities

This enables the Company to appropriately meet its funding requirements at different times.

The Company believes that its financial position as at the end of the second quarter of 2026 was sufficiently strong to support future growth, including investment in machinery, business expansion and the undertaking of large-scale projects. The Company remains focused on liquidity management, working-capital control and maintaining an appropriate capital structure in order to achieve financial stability and sustainable returns for shareholders.

Factors That May Affect Future Operations or Growth

The Company expects its business outlook for the second half of 2026 to continue to benefit from public infrastructure investment, expanding private-sector investment and demand for foundation engineering works for large buildings and industrial projects.

As of 14 August 2026, the Company had a backlog valued at THB 1,006.43 million, which is sufficient to sustain its operations through the end of 2026. The Company is confident that, over the remaining five months of the year, it will be able to secure additional projects and replenish its backlog to a level sufficient to sustain operations through the first half of 2027.

Nevertheless, the Company continues to closely monitor risks arising from economic conditions, cost volatility and industry competition, while implementing risk-management measures to maintain its competitiveness and shareholder returns.

Risks That May Affect the Business

1. Economic risk: An economic slowdown may result in:
   - Delays in the commencement of new projects
   - Customers postponing investment
   - Increased price competition

   <u>Risk Management Measures</u>
   - Diversify the customer base
   - Maintain liquidity

- Select quality projects

2. Construction material cost risk: Prices of steel, concrete, fuel and other construction materials may fluctuate.

   Risk Management Measures

   - Strategic procurement
   - Negotiation of long-term contracts
   - Control of material wastage

3. Labor risk: The construction industry continues to face risks arising from:

   - Labor shortages
   - Rising labor costs
   - Changes in labor laws

   Risk Management Measures

   - Employee skills development
   - Improved machinery efficiency
   - Use of technology to reduce reliance on labor

4. Customer liquidity risk: Construction projects involve high contract values. Delayed customer payments may affect:

   - Working capital
   - Cash flow

   Risk Management Measures

   - Collection monitoring
   - Customer credit assessment
   - Close management of days sales outstanding (DSO)

5. Interest-rate risk: High interest rates may affect:

   - Finance costs
   - Customer investment

   Risk Management Measures

   - Maintain debt within policy limits
   - Maintain an appropriate capital structure

The Company's strategies for the second half of 2026 are as follows:

1. Select projects offering appropriate returns
2. Improve machinery utilization
3. Maintain strict cost control
4. Improve working-capital management
5. Expand opportunities in growing private-sector projects along the Chao Phraya River and in government infrastructure projects
6. Enhance risk management and ESG practices

7. The Company has already obtained two petty patents relating to bored-pile and retaining-wall construction processes and plans to file three additional petty-patent applications within the next five years.

Management believes that the Company has the potential to deliver continued growth based on its expertise in foundation works and specialized engineering. Although the business environment remains uncertain, the Company will continue its prudent project-acquisition policy, focusing on value-accretive projects while improving operational efficiency, cost management, working-capital management and ESG practices in order to achieve stable and sustainable long-term growth.

For your information.

Sincerely yours,
SEAFCO PUBLIC COMPANY LIMITED.

(Dr. Narong Thasnanipan)
President