Ref: AC.019/2026 17 August 2026

Subject: Management discussion and analysis of financial position and operating results

To: President and Manager

The Stock Exchange of Thailand

Overall operating performance of the Group

Unit: Million THB

	Q2' 2026	Q2' 2025	Increase (decrease)	Variance (%)
Total revenues	2,808	2,715	93	3%
Net profit	234	122	112	92%

The Group recorded total revenue of THB 2,808 million for the second quarter of 2026, an increase of THB 93 million or 3%, compared with total revenue of THB 2,715 million for the second quarter of 2025. Total revenue remained unchanged during the period.

The Group recorded net profit of THB 234 million for the second quarter of 2026, an increase of THB 112 million or 92%, compared with net profit of THB 122 million for the second quarter of 2025. The increase was mainly attributable to higher gross profit.

Analysis of revenues

	Q2' 2026		Q2' 2025		Increase (decrease)	
	Million THB	**%**	**Million THB**	**%**	**Million THB**	**%**
Revenues from main business						
EMS business	835	30%	552	20%	283	51%
Enterprise solutions business	929	33%	1,080	40%	(151)	(14%)
Smart service business	973	35%	1,023	38%	(50)	(5%)
Total revenues from main business	**2,737**	**98%**	**2,655**	**98%**	**82**	**3%**
Other income	71	2%	60	2%	11	18%
Total revenues	**2,808**	**100%**	**2,715**	**100%**	**93**	**3%**

EMS Business

The Company recorded revenue from the EMS business of THB 835 million for the second quarter of 2026, an increase of THB 283 million or 51%, compared with THB 552 million in the same period of the previous year. The increase was driven by higher orders from both existing and new customers for electronic circuit board manufacturing and assembly services, which have trended upward since the beginning of 2026.

Enterprise Solutions Business

The Company recorded revenue from the Enterprise Solutions business of THB 929 million for the second quarter of 2026, a decrease of THB 151 million or 14%, compared with THB 1,080 million in the same period of the previous year. The decrease was mainly due to the completion and gradual delivery of projects carried forward from the previous year, while projects secured during the current year were still in the early stages of implementation. As a result, revenue recognized in the quarter was lower than that recognized in the same period of the previous year.

Smart Service Business

The Company recorded revenue from the Smart Service business of THB 973 million for the second quarter of 2026, a decrease of THB 50 million or 5%, compared with THB 1,023 million in the same period of the previous year. The decrease was mainly attributable to lower revenue from top-up and money transfer services.

Gross Profit and Gross Profit Margin

	Q2' 2026		Q2' 2025		Increase (decrease)	
	Million THB	%	Million THB	%	Million THB	%
EMS business	116	14%	84	15%	32	38%
Enterprise solutions business	297	32%	196	18%	101	52%
Smart service business	292	30%	332	32%	(40)	(12%)
Gross Profit	**705**	**26%**	**612**	**23%**	**93**	**15%**

EMS Business

Gross profit for the second quarter of 2026 was THB 116 million, an increase of THB 32 million or 38% from THB 84 million in the same period of the previous year, in line with the increasing trend in revenue from electronic circuit board manufacturing and assembly services since the beginning of 2026. However, the gross profit margin for the second quarter of 2026 was 14%, with no significant change compared with 15% in the same period of the previous year.

Enterprise Solutions Business

Gross profit for the second quarter of 2026 was THB 297 million, an increase of THB 101 million or 52% from THB 196 million in the same period of the previous year. The gross profit margin increased from 18% to 32%. This was mainly because the projects for which revenue was recognized in the second quarter of 2025 generated lower gross profit and gross profit margins than those for which revenue was recognized in the second quarter of 2026.

Smart Service Business

Gross profit for the second quarter of 2026 was THB 292 million, a decrease of THB 40 million or 12% from THB 332 million in the same period of the previous year. The gross profit margin decreased from 32% to 30%, mainly due to higher service costs of the Tao Bin vending machine business, including depreciation, location rental expenses, and spare parts for maintenance and repairs.

Expenses

	Q2' 2026	Q2' 2025	Increase (decrease)	
	Million THB	Million THB	Million THB	%
Selling expenses	33	30	3	10%
Administrative expenses	333	351	(18)	(5%)
Finance costs	44	50	(6)	(12%)
Income tax expenses	71	54	17	31%

Selling Expenses

Selling expenses for the second quarter of 2026 amounted to THB 33 million, an increase of THB 3 million or 10%, compared with THB 30 million in the same period of the previous year. The increase was mainly due to higher advertising and promotional expenses for the Tao Bin vending machine business.

Administrative Expenses

Administrative expenses for the second quarter of 2026 amounted to THB 333 million, a decrease of THB 18 million or 5%, compared with THB 351 million in the same period of the previous year. The decrease was mainly attributable to lower expenses, including production overhead allocated to administrative expenses due to production levels being below the normal production capacity of the electronic circuit board manufacturing and assembly business, provisions for penalties related to import duties, and research and development expenses, among others.

Finance Costs

Finance costs for the second quarter of 2026 amounted to THB 44 million, a decrease of THB 6 million or 12%, compared with THB 50 million in the same period of the previous year. The decrease was mainly due to repayments of long-term borrowings and lower borrowing interest rates.

Income Tax Expense

Income tax expense for the second quarter of 2026 amounted to THB 71 million, an increase of THB 17 million or 31%, compared with THB 54 million in the same period of the previous year, in line with the increase in profit before tax.

Financial position

Assets

Unit: Million THB

	30 June 2026	31 December 2025	Increase (decrease)	% Variance
Current assets	7,871	6,804	1,067	16%
Non-current assets	5,985	5,832	153	3%
Total assets	**13,856**	**12,636**	**1,220**	**10%**

Total assets as of 30 June 2026 amounted to THB 13,856 million, an increase of THB 1,220 million or 10%, compared with THB 12,636 million as of 31 December 2025. The increase was mainly attributable to higher loan receivables in the Smart Service business; inventories in the EMS and Enterprise Solutions businesses; and trade receivables, unbilled revenues, and advances for purchases of goods and services in the Enterprise Solutions business.

The quality of assets

Trade account receivables

Unit: Million THB

	Consolidated financial statements	
	30 June 2026	**31 December 2025**
Trade account receivables - unrelated parties	1,262	1,322
Less: Allowance for expected credit losses	(69)	(65)
Trade account receivables - net	1,193	1,257

As of June 30, 2026, and December 31, 2025, the Group recorded allowances for expected credit losses amounting to THB 69 million and THB 65 million, respectively. The Group recognizes an allowance for expected credit losses on its trade receivables, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies a simplified approach to considering the impairment of trade receivables.

Inventories

Unit: Million THB

	Consolidated financial statements	
	30 June 2026	**31 December 2025**
Inventories	2,726	2,469
Reduce cost to net realizable value	(557)	(542)
Inventories - net	2,169	1,927

As of June 30, 2026, and December 31, 2025, the Group reduced inventories to net realizable value by THB 557 million and THB 542 million, respectively. The Group estimates the net realizable value of inventories, considering fluctuations in price or cost directly related to events occurring after the end of the period, inventory movements, and prevailing economic conditions. Management believes that the reduced cost to net realizable value is adequate in the current circumstances.

Loan receivables

Unit: Million THB

	Consolidated financial statements	
	30 June 2026	31 December 2025
Loan receivables	1,609	1,419
Accrued interest income	34	24
Allowance for expected credit losses	(114)	(78)
Loan receivables - net	1,529	1,365

As of June 30, 2026, and December 31, 2025, the Group recorded allowances for expected credit losses of THB 114 million and THB 78 million, respectively. At every reporting date, the Group assesses whether there has been a significant increase in credit risk of debtors since initial recognition by comparing the risk of default over the expected lifetime at the reporting date with the credit risk at the date of initial recognition. To determine whether credit risk has increased significantly since initial recognition, the Group uses internal quantitative and qualitative indicators and forecast information to assess deterioration in the credit quality of such debtors, such as overdue by more than 30 days or 1 installment, and forbearance status for debt restructuring agreements, etc.

Source of fund

Unit: Million THB

	30 June 2026	31 December 2025	Increase (decrease)	% Variance
Current liabilities	8,581	7,551	1,030	14%
Non-current liabilities	781	840	(59)	(7%)
Total liabilities	**9,362**	**8,391**	**971**	**12%**
Total shareholders' equity	**4,494**	**4,245**	**249**	**6%**

Total Liabilities

Total liabilities as of 30 June 2026 amounted to THB 9,362 million, an increase of THB 971 million or 12%, compared with THB 8,391 million as of 31 December 2025. The increase was mainly attributable to higher short-term borrowings from banks to support the working capital requirements of the EMS, Enterprise Solutions and Smart Service businesses, as well as higher advances received from customers in the Enterprise Solutions business. However, long-term borrowings from banks decreased due to repayments of loan installments as they became due.

Shareholders' Equity

Shareholders' equity as of 30 June 2026 amounted to THB 4,494 million, an increase of THB 249 million or 6%, compared with THB 4,245 million as of 31 December 2025. The increase was attributable to net profit for the first six months of 2026, partially offset by dividend payments to the Company's shareholders and non-controlling interests of subsidiaries during the second quarter of 2026.

Capital Structure

The debt-to-equity ratio as of 30 June 2026 was 2.08:1, a slight increase from 1.98:1 as of 31 December 2025. There was no significant change in the debt-to-equity ratio.

Liquidity

Cash flows

Unit: Million THB

	Q2' 2026	Q2' 2025
Cash flows from (used in) operating activities	(332)	(63)
Cash flows from (used in) investing activities	(150)	(140)
Cash flows from (used in) financing activities	650	467

Cash flows used in operating activities for the second quarter of 2026 amounted to THB 332 million, an increase of THB 269 million compared with THB 63 million in the same period of the previous year, mainly due to higher working capital requirements.

Cash flows used in investing activities for the second quarter of 2026 amounted to THB 150 million, an increase of THB 10 million compared with THB 140 million in the same period of the previous year. Investing cash flows did not change significantly.

Cash flows provided by financing activities for the second quarter of 2026 amounted to THB 650 million, an increase of THB 183 million compared with THB 467 million in the same period of the previous year, mainly due to an increase in short-term borrowings, partially offset by dividend payments to the Company's shareholders and non-controlling interests of subsidiaries.

Liquidity ratio

The current ratio as of 30 June 2026 was 0.92:1, a slight increase from 0.90:1 as of 31 December 2025.

Please be informed accordingly.

Yours sincerely,

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