1. Business overview

Sahakol Equipment Co., Ltd. ("the Company") is a company engaged in the business of providing comprehensive mining services and operations, covering mining planning, open-pit mining operations, mining consulting, and large machinery rental and maintenance. The Company's business direction and strategy focuses on building and maintaining competitiveness, creating business growth. Competition and competitors The Company has few competitors in the business. Competition is mostly based on price. Factors affecting competitiveness in determining prices are the fluctuation of raw material prices, which affects the industry.

2. Executive Summary

Key events and developments in Q2/2026: On May 26, 2026, the Company held bondholder meetings for six bond series: SQ256A, SQ25NA, SQ25NB, SQ266A, SQ275A, and SQ285A to request default waivers and propose debt restructuring. The meeting resulted in the rejection of the default waiver and debt restructuring proposals for bond series SQ256A and SQ266A. Consequently, the bondholder representatives of both series exercised their rights under the terms of the agreement to trigger an immediate call default. However, the Company has negotiated debt restructuring with its institutional creditors, and the prospects are positive for securing support in deferring principal repayments and extending short-term and long-term loan repayment periods. All financial institutions have agreed in principle not to issue default notices to the Company. In order for the company to be able to continue with existing projects worth approximately 13.5 billion baht.

Currently, the company operates earthmoving and coal mining under 7 main projects: (1) Mae Moh Mine Project 8 (2) Hongsa Mine Project D (3) Hongsa Mine Project O&M (4) North Pit Wall Expansion Project (5) Build Lease and Transfer (BLT) Project (6) Mae Moh Mine Project 8/1 (7) Hongsa Mine Project MSSA. In summary, the important events and developments are as follows:

In Q2/2026, the company's total service revenue was 532.3 million baht, a decrease of 7% from Q1/2026 and a decrease of 41.9% compared to the same period last year (Q2/2025). This was due to the cessation of operations at the Mae Moh 8 mine project and the postponement of earthmoving operations at Project 8/1 due to the impact of a landslide in Q4/2025.

The Mae Moh 8 mine project is currently undergoing site rehabilitation to begin the remaining work in mid-Q3/2026. Therefore, Q2/2026 revenue is expected to decrease by 100% compared to Q2/2025.

The Mae Moh 8.1 Mine Project Coal extraction revenue is proceeding according to plan, with the restoration of the Mae Moh Mine Project 8 work area being completed. Excavation and earthmoving work have been postponed and is expected to commence in late Q4 2026 or Q1 2027.

The Hongsa mine project's revenue this quarter is similar to that of Q1/2026 and Q2/2025, and work continues to be close to schedule.

Financial Performance

(Million Baht)

Unit : M THB	Q1/2026	Q2/2026	Q2/2025	% Gain (Loss) QoQ	% Gain (Loss) YoY	6M/2026	6M/2025	% Gain (Loss)
Total revenues	572.1	532.3	916.8	(7.0%)	(41.9%)	1,104.4	1,824.1	(39.5%)
Service revenues	481.7	453.5	886.5	(5.9%)	(48.8%)	935.2	1,760.5	(46.9%)
Cost of Services (Include Depreciation)1	600.0	488.0	817.4	(18.7%)	(40.3%)	1,088.0	1,569.9	(30.7%)
1Depreciation	129.6	130.8	179.7	0.9%	(27.2%)	260.4	362.5	(28.2%)
Gross Profit (After Depreciation)	(118.3)	(34.5)	69.1	(70.8%)	N/A	(152.8)	190.6	N/A
Administrative expenses	92.3	233.0	82.7	N/A	N/A	325.3	157.2	N/A
EBITDA	14.9	(53.6)	203.7	N/A	N/A	(38.7)	474.6	N/A
Financial Cost	78.7	58.9	73.5	(25.2%)	(19.9%)	137.5	142.8	(3.7%)
Net Profit	(198.5)	(247.4)	(52.8)	24.6%	N/A	(445.9)	(45.2)	N/A
EBITDA margin (%)	2.6%	(10.1%)	22.2%	N/A	(32.3%)	(3.5%)	26.0%	(29.5%)
Gross Profit Margin (%)	(24.6%)	(7.6%)	7.8%	17.0%	(15.4%)	(16.3%)	10.8%	(27.2%)
Net Profit Margin (%)	(34.7%)	(46.5%)	(5.8%)	(11.8%)	(40.7%)	(40.4%)	(2.5%)	(37.9%)

Key performance

- Service revenue in Q2/2026 was 532.3 million baht (-41.9% YoY, -7% QoQ).
- EBITDA in Q2/2026 was -38.7 million baht (more than 100% negative YoY, more than 100% negative QoQ).
- Net loss in Q2/2026 was -247.4 million baht (more than 100% negative YoY, -24.6% QoQ).

Operating results for the 2nd quarter of 2026 compared to the 1st quarter of 2026 (QoQ)

In Q2/2026, the company had total revenue of 532.3 million baht, a decrease of 39.8 million baht or 7%, from the Hongsa mine project, which was in line with the plan. While service costs decreased by 18.7%, administrative expenses increased by more than 100%. The significant changes in costs and expenses are as follows:

- Maintenance costs decreased by 100.5 million baht from the Mae Moh 8 mine project, as the installation of conveyor systems and machinery maintenance were gradually completed in the first quarter of 2026 as part of the mine area rehabilitation from damage caused by the landslide that occurred in early November 2025.
- Fuel costs increased by 28.0 million baht due to the increased consumption and price of fuel at the Hongsa mine project.

- Subcontractor costs decreased by 35.92 million baht from the Mae Moh 8 mine project, which is in the final stages and will be gradually completed in the first quarter of 2026, following the mine area rehabilitation from damage caused by the landslide that occurred in early November 2025.
- Provision for doubtful debts of other receivables amounting to 148.2 million baht.

Therefore, the company reported a loss before interest and depreciation (EBITDA) of 184.2 million baht, an increase in loss of 69.5 million baht, or more than 60.5 percent, compared to the first quarter of 2026.

Operating results for the 2nd Quarter of 2026 compared to the 2nd Quarter of 2025 (YoY)

The company's total revenue was 532.3 million baht, a decrease of 384.5 million baht or 41.9% compared to the same period last year (as explained above). This was due to the Mae Moh mine project having to halt operations for site rehabilitation, and consequently, the Mae Moh 8/1 mine project also experienced a delay due to the impact of this event. Excavation work was postponed from the contract and is expected to resume in mid-Q3 2026. Meanwhile, the Hongsa mine project-maintained revenue similar to Q2 2025. Service costs decreased by 40.3%, while administrative expenses increased by more than 100%. The significant changes in costs and expenses are as follows:

- Maintenance costs decreased by 88.26 million baht due to the Mae Moh 8 mine project's restoration of the mine area from damage caused by a landslide in early November 2025, with gradual completion expected from the end of Q1/2026.
- Fuel costs decreased by 73.46 million baht due to reduced usage from the Mae Moh 8 mine project's shutdown, consistent with the reduced workload.
- Explosives costs decreased by 34.35 million baht due to reduced usage from the Mae Moh 8 mine project's shutdown, consistent with the reduced workload.
- Labor costs decreased by 29.57 million baht due to cost management at the Mae Moh 8 mine project's shutdown, consistent with the reduced workload.
- Depreciation costs decreased by 48.92 million baht from some machinery that had been fully depreciated.
- Provision for doubtful debts of other receivables amounted to 148.2 million baht.

Performance results for the six-month period ended June 2026 compared to 2025.

The company's total revenue was 1,104.4 million baht, a decrease of 719.7 million baht or 39.5% compared to the same period last year. The main reason was the decrease in revenue from the Mae Moh 8 mine project, which ceased operations and entered mine rehabilitation, resulting in no revenue in Q2/2026, continuing from Q1 2026. However, service costs decreased by 481.9 million baht or 30.7%, but administrative expenses increased by more than 100%. The significant changes in costs and expenses are as follows:

- Maintenance costs decreased by 23.90 million baht, mainly due to the Mae Moh 8 mine project, which was shut down for machinery rehabilitation.
- Fuel costs decreased by 162.50 million baht due to reduced consumption at the Mae Moh 8 mine project, which was shut down for mining rehabilitation.
- Explosives costs decreased by 81.67 million baht due to reduced consumption at the Mae Moh 8 mine project, which was shut down for mining rehabilitation.
- Subcontractor costs decreased by 36.84 million baht, consistent with the workload of each project.
- Labor costs decreased by 36.05 million baht from the management of the Mae Moh 8 mine project, which was shut down for mining rehabilitation.
- Depreciation costs decreased by 102.09 million baht, due to some machinery having already been fully depreciated.
- Provision for doubtful debts of other receivables amounted to 148.2 million baht.

3. Operational Result by Project

(Million Baht)

Unit : M THB	Q1/2026	Q2/2026	Q2/2025	% Gain (Loss) QoQ	% Gain (Loss) YoY	6M/2026	6M/2025	% Gain (Loss)
Mae Moh 8								
Service Revenue	0.3	-	388.4	(100.0%)	(100.0%)	0.3	842.8	(100.0%)
Cost of Services (Include Depreciation)1	220.4	155.1	420.5	(29.6%)	(63.1%)	375.5	841.6	(55.4%)
1Depreciation	75.6	69.8	109.2	(7.7%)	(36.1%)	145.4	235.7	(38.3%)
Gross Profit	(220.2)	(155.1)	(32.1)	(29.6%)	N/A	(375.3)	1.2	N/A
Gross Profit Margin (%)	N/A	N/A	(8.3%)	29.6%	N/A	N/A	0.1%	N/A
Mae Moh 8/1								
Service Revenue	25.8	18.9	49.7	(26.7%)	(62.0%)	44.7	51.4	(13.0%)
Cost of Services (Include Depreciation)1	44.5	39.5	46.1	(11.2%)	(14.3%)	84.0	47.0	78.7%
1Depreciation	15.5	18.0	13.9	16.1%	29.5%	33.5	14.0	N/A
Gross Profit	(48.7)	9.4	3.5	N/A	N/A	(39.4)	4.4	N/A
Gross Profit Margin (%)	N/A	49.7%	0.0%	N/A	N/A	(88.1%)	-	N/A
Hongsa D and Hongsa O&M								
Service Revenue	396.8	388.0	398.0	(2.2%)	(2.5%)	784.7	749.1	4.8%
Cost of Services (Include Depreciation)1	242.2	246.6	276.5	1.8%	(10.8%)	488.7	521.6	(6.3%)
1Depreciation	26.4	30.8	44.8	16.7%	(31.2%)	57.2	89.0	(35.7%)
Gross Profit	154.6	141.4	121.5	(8.5%)	16.4%	296.0	227.5	30.1%
Gross Profit Margin (%)	39.0%	36.4%	30.5%	N/A	N/A	37.7%	30.4%	7.4%

Project Performance Results (continued)

Unit : M THB	Q1/2026	Q2/2026	Q2/2025	% Gain (Loss) QoQ	% Gain (Loss) YoY	6M/2026	6M/2025	% Gain (Loss)
North Pit Wall Expansion								
Service Revenue	58.9	25.4	48.8	(56.9%)	(48.0%)	84.3	114.2	(26.2%)
Cost of Services (Include Depreciation)1	60.9	52.4	70.1	(14.0%)	(25.2%)	113.3	148.7	(23.8%)
1Depreciation	12.0	9.0	11.8	(25.0%)	(23.7%)	21.1	23.7	(11.0%)
Gross Profit	(1.9)	(27.0)	(21.3)	N/A	26.8%	(29.0)	(34.5)	(15.9%)
Gross Profit Margin (%)	(3.2%)	N/A	(43.6%)	N/A	(55.8%)	(34.4%)	(30.2%)	(4.2%)
Hongsa MSSA								
Service Revenue	-	18.0	-	N/A	N/A	18.0	-	N/A
Cost of Services (Include Depreciation)1	-	22.4	-	N/A	N/A	22.4	-	N/A
1Depreciation	-	3.2	-	N/A	N/A	3.2	-	N/A
Gross Profit	-	(4.4)	-	N/A	N/A	(4.4)	-	N/A
Gross Profit Margin (%)	-	(24.4%)	-	N/A	N/A	(24.4%)	-	N/A
Built Lease and Transfer (BLT)								
Service Revenue	24.7	25.8	26.1	4.6%	(1.1%)	100.0	52.4	90.9%
Cost of Services (Include Depreciation)1	2.0	1.9	4.1	(5.0%)	(53.7%)	3.9	10.4	(62.5%)
1Depreciation	-	-	-	N/A	N/A	-	-	N/A
Gross Profit	22.7	23.9	22.0	5.5%	8.7%	96.1	42.0	N/A
Gross Profit Margin (%)	91.9%	92.6%	84.3%	N/A	N/A	96.1%	80.2%	N/A

1) Mae Moh 8 project

The Mae Moh 8 mine project has ceased operations and entered mine rehabilitation, resulting in no revenue in Q2/2026, a 100% decrease from Q1/2026. Service costs decreased by 29.6% due to the gradual completion of machinery and conveyor system maintenance in Q1 2026.

Considering the performance during the same period of the previous year, revenue decreased by 388.4 million baht, or 100%, due to the suspension of operations for rehabilitation following a landslide in Q4/2025. However, service costs decreased by 63.1% due to the mine rehabilitation process.

2) Mae Moh 8/1 project

The Mae Moh 8/1 mine project has delayed its coal mining operations and postponed earthmoving work until Q1/2026. The project is also in the process of mining rehabilitation. Revenue in this quarter came from coal mining work amounting to 18.9 million baht, a decrease of 26.7% from Q1/2026. Gross profit increased by 58.1 million baht, or more than 100%.

Compared to the same period last year, revenue decreased by 30.8 million baht, or 62%, due to the impact of the Mae Moh 8 mining rehabilitation. Gross profit increased by 5.9 million baht, or more than 100%, from Q2/ 2025.

3) Hongsa D and Hongsa O&M

The Hongsa mine project generated revenue of 388 million baht, a decrease of 8.8 million baht or 2.2% from Q1/2026, which was in line with the plan. Gross profit decreased by 13.2 million baht or 8.5%, affected by higher oil costs.

Compared to the same period last year, the Hongsa mine project saw a revenue decrease of 10 million baht or 2.5%, while gross profit increased by 19.9 million baht or 16.4% from Q2/2025. This is a continued result of the mine restructuring plan that began in Q4/2025.

4) North Pit Wall Expansion Project

The North Pit Wall Expansion project generated revenue of 25.4 million baht, a decrease of 33.5 million baht, or 56.9%, from Q1/2026 as planned. Meanwhile, service costs decreased by only 8.5 million baht, or 14%, due to lower project costs from shorter project distances, but higher BCM costs. This resulted in an increased gross loss of 25.1 million baht, or a decrease of more than 100%, compared to Q1/2025.

Considering the same period of the previous year, the North Pit Wall Expansion project saw a revenue decrease of 23.4 million baht, or 48%, while service costs decreased by 17.7 million baht, or 25.2%, due to lower project costs from shorter project distances, but higher BCM costs. This resulted in an increased gross loss of 5.7 million baht, or 26.8%, compared to Q2/2025.

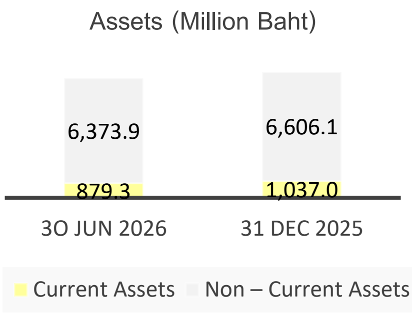
5) Hongsa MSSA

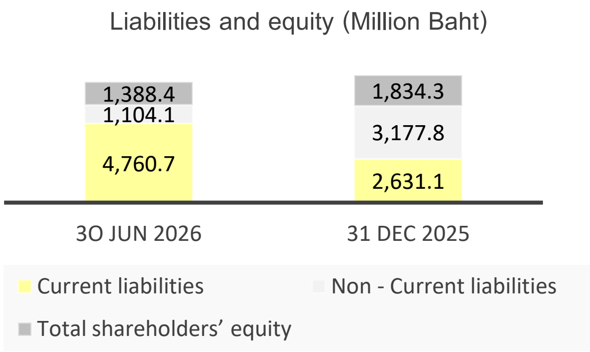
The Hongsa MSSA mine project generated revenue of 18 million baht (contract commencement in Q2/2026) and service costs of 22.4 million baht. The majority of these costs, or 82% of total costs, came from fuel cost resulting in a gross loss of 4.4 million baht due to the project's early start date.

6) Build Lease and Transfer Project

The Build Lease and Transfer project generated revenue of 25.8 million baht, similar to Q1/2026, representing interest income based on the planned repayment schedule for financial lease contracts (Effective Interest Rate). Meanwhile, service costs remained similar to Q1/2026, resulting in a gross profit increase of 1.2 million baht, or 5.5%, compared to Q1/2026.

Financial Position and Cash Flow





<u>Balance Sheet Position</u>

Assets

As of June 30, 2026, the company had total assets of 7,252.3 million baht, a decrease of 390.8 million baht from total assets as of December 31, 2025. This decrease is due to a reduction in cash value from operational shutdowns and expenditures related to the Mae Moh mine rehabilitation, a reduction in machinery due to depreciation, and a decrease in inventory.

(Million Baht)

	30 Sep 2026	31 Dec 2025	change	change %
Current Assets	879.3	1,037.0	(157.7)	(15.2%)
Non – Current Assets	6,373.9	6,606.2	(232.3)	(3.5%)
Total assets	**7,253.2**	**7,643.2**	**(390.0)**	(5.1%)

Liabilities

As of June 30, 2026, the company had total liabilities of 5,864.8 million baht, an increase of 55.9 million baht from total liabilities as of December 31, 2025, representing a 1% decrease due to the deferment of payments to creditors.

(Million Baht)

	30 Jun 2026	31 Dec 2025	change	change %
Current liabilities	4,760.7	2,631.1	2,129.6	80.9%
Non - Current liabilities	1,104.1	3,177.8	(2,073.7)	(65.3%)
Total liabilities	**5,864.8**	**5,808.9**	**55.9**	1.0%

Shareholder's equity

As of June 30, 2026, the company's shareholders' equity amounted to 1,388.4 million baht, a decrease of 445.9 million baht from the company's shareholders' equity as of December 31, 2025, a decrease of 24.3% due to a net operating loss.

(Million Baht)

	30 Jun 2026	31 Dec 2025	change	change %
Total shareholders' equity	1,388.4	1,834.3	(445.9)	(24.3%)

Statement of Cash Flows

As of June 30, 2026, cash and cash equivalents totaled 60.4 million baht, a decrease of 132.2 million baht from December 31, 2025, when cash and cash equivalents totaled 192.6 million baht. The main reasons for this decrease are summarized as follows:

(Million Baht)

Cash flows from operating activities	148.6
Cash flows from investing activities	(120.4)
Cash flows from financing activities	(160.3)
Net decrease in cash and cash equivalents	(132.2)

Cash flows from operating activities: increase of 148.6 million baht, primarily resulting from operating profits before income tax.

Cash flows from investing activities: decrease of 120.4 million baht resulted from payments for asset purchases in accordance with the investment plan.

Cash flows from financing activities: decrease of 160.3 million baht, mainly due to repayments of principal on loan agreements.

Financial Cost

Financial costs for the years ending 2026 and 2025 are 137.6 million baht and 142.8 million baht, respectively, a decrease of 3.7 %

(Million Baht)

	30 Jun 2026	31 Mar 2025	change	change %
Financial cost	137.5	142.8	(5.3)	(3.7%)

4. Key Financial Ratios

Profitability Ratios		2025	6M/2025	6M/2026
Gross Profit (After Depreciation)	(Percent)	(0.9)	10.8	(16.3)
EBITDA	(Percent)	3.4	26.3	(3.8)
EBIT	(Percent)	(18.6)	5.3	(32.4)
Net (Loss) Profit	(Percent)	(28.2)	(2.5)	(40.4)

Efficiency Ratios		2025	*6M/2025	*6M/2026
Return on Assets	(Percent)	(7.5)	2.3	(13.9)
Return on Fix Assets	(Percent)	(3.9)	12.0	(3.6)
Return on Equity	(Percent)	(26.7)	7.0	(67.5)

Leverage Ratios		2025	*6M/2025	*6M/2026
Debt to Equity ratio	(times)	3.2X	2.1X	4.2X
Interest Bearing Debt to Equity ratio	(times)	2.4X	1.7X	3.1X
Interest Coverage Ratio (EBITDA Basis)	(times)	38.6X	4.7X	(4.2X)
Debt service coverage ratio	(times)	0.1X	0.5X	(0.3X)

*Financial ratios for the year ended March 31, 2025 were calculated using the 12-month historical return method.

5. Factors or events that may have a significant impact on financial position or operations in the future

The mass movement and landslide that occurred on November 4, 2025, at the Mae Moh mine project's waste disposal area, which is outside the company's responsibility and control, significantly impacted the company's operations. Specifically, the office building, maintenance workshop, spare parts warehouse, machinery, and conveyor systems were damaged. This forced the company to halt work on the Mae Moh 8 project, which was in its final stages and is expected to resume in late Q2/2026. The start date for excavation work on the Mae Moh 8/1 project, originally scheduled for February 2026, has also been postponed to late Q4/2026 or early Q1/2027. This has resulted in a significant delay in revenue recognition for 2025 and 2026. The company also needs to restore operations and invest in new machinery to revive its systems. However, the company has insurance coverage for the damaged machinery, and the claims process is currently underway. In the long term, the company expects to resume revenue recognition as stipulated in the employment contracts.