

Management's Discussion and AnalysisFor the six-month period ended 30 June 2026

Significant event

Temporary Suspension of Operation at the RDF Plant in Saraburi Province

N15 Technology Co., Ltd. ("N15"), a subsidiary of the Company, temporarily suspended operation at Saraburi plant. The plant was previously engaged in the production and sale of the refuse-derived fuel ("RDF"). Since the third quarter of 2025, N15 has changed the plant's operating model to RDF quality improvement service through drying to reduce moisture level ("RDF moisture-reduction service"). As part of this operating model, a major customer supplied high-moisture of the RDF to N15 for processing through the RDF drying process. However, in June 2026, the major customer ceased supplying the RDF to the Saraburi plant, resulting in the plant being unable to continue providing its services under the normal operating conditions.

For the year ended 31 December 2025, the Saraburi plant recorded revenue from sales and services of Baht 52.49 million and a gross loss of Baht 46 million. N15 is currently considering appropriate approaches for the management and utilization of assets affected by the temporary suspension of operation, to optimize benefits to N15 and the Group.

Meanwhile, N15 plans to increase the production capacity of its RDF production and distribution at Chonburi Plant to support an increase in demand of customers, both in term of the treatment of wastes service and the production and sales of RDF. This is expected to support the revenue generation of the Company and the Group in the future. In this regard, the Group will continue monitoring the situation and consider appropriate courses of action, considering operational efficiency and the interests of the Company and shareholders.

Operating result

Unit: in Million Baht

	Three-month period			% Increase (Decrease)		Six-month period		Inc(Dec)	%
	Q2'2025	Q1'2026	Q2'2026	YoY	QoQ	2025	2026		
Revenues									
Revenue from sales of goods	95.01	80.39	86.51	(8.9%)	7.6%	201.38	166.90	(34.48)	(17.1%)
Revenue from rendering of services	3.57	8.12	8.10	126.9%	(0.2%)	6.76	16.22	9.46	139.9%
Interest income	0.35	0.12	0.11	(68.6%)	(8.3%)	0.77	0.23	(0.54)	(70.1%)
Other income	0.35	2.63	2.80	700.0%	6.5%	1.50	5.43	3.93	262.0%
Total revenue	99.28	91.26	97.52	(1.8%)	6.9%	210.41	188.78	(21.63)	(10.3%)
Expenses									
Cost of sales of goods	95.74	59.47	61.17	(36.1%)	2.9%	193.79	120.64	(73.15)	(37.7%)
Cost of rendering of services	1.96	13.79	10.03	411.7%	(27.3%)	3.70	23.82	20.12	543.8%
Selling and Administrative expenses	37.96	26.32	30.67	(19.2%)	16.5%	74.44	56.99	(17.45)	(23.4%)
Finance costs	12.25	11.51	11.50	(6.1%)	(0.1%)	24.89	23.01	(1.88)	(7.6%)
Tax expense (income)	(4.32)	0.76	0.72	116.7%	(5.3%)	(6.66)	1.48	8.14	122.2%
Total expenses	143.59	111.85	114.09	(20.5%)	2.0%	290.16	225.94	(64.22)	(22.1%)
Loss for the period	(44.31)	(20.59)	(16.57)	62.6%	19.5%	(79.75)	(37.16)	42.59	53.4%
Gain (loss) attributable to non-controlling interests	(0.59)	1.38	2.26	483.1%	63.8%	(0.82)	3.64	4.46	543.9%
Loss attributable to owners of the parent	(43.72)	(21.97)	(18.83)	56.9%	14.3%	(78.93)	(40.80)	38.13	48.3%

Revenues

Unit: in Million Baht

	Three-month period						Six-month period			
	Q2'2025		Q1'2026		Q2'2026		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Revenues										
Revenue from sales of goods	95.01	95.6%	80.39	88.1%	86.51	88.7%	201.38	95.7%	166.90	88.4%
Revenue from rendering of services	3.57	3.6%	8.12	8.9%	8.10	8.3%	6.76	3.2%	16.22	8.6%
Interest income	0.35	0.4%	0.12	0.1%	0.11	0.1%	0.77	0.4%	0.23	0.1%
Other income	0.35	0.4%	2.63	2.9%	2.80	2.9%	1.50	0.7%	5.43	2.9%
Total revenue	99.28	100.0%	91.26	100.0%	97.52	100.0%	210.41	100.0%	188.78	100.0%

Significant changes can be summarized as follows:

Revenue from sale of goods

For the three-month period ended 30 June 2026, revenue from sales of goods of Baht 86.51 million was comprised of revenue from generating and distribution of electricity of Baht 78.89 million, revenue from the sale of RDF of Baht 5.17 million and revenue from trading of RDF raw materials of Baht 2.45 million. And for the six-month period ended 30 June 2026, revenue from sales of goods of Baht 166.90 million was comprised of revenue from generating and distribution of electricity of Baht 154.68 million, revenue from the sale of RDF of Baht 9.30 million and revenue from trading of RDF raw materials of Baht 2.92 million. The Group's revenue from sale of goods decreased compared to the same period of previous year. The changes resulted from the following reasons:

Revenue from generating and distribution of electricity sale to the Provincial Electricity Authority (PEA) for the three-month and six-month periods ended 30 June 2026 increased from the same period of the previous year by Baht 1.40 million or 1.8% and Baht 1.90 million or 1.2%, respectively. This was due to the increase in the Feed-in Tariff (Variable Section) promulgated by the PEA, as well as the increase in the number of electricity units sold to the PEA due to a decrease in production downtime for repair and maintenance compared to the same period of the previous year.

Revenue from the sale of RDF for the three-month and six-month periods ended 30 June 2026 decreased from the same period of the previous year by Baht 12.36 million or 70.5% and Baht 39.30 million or 80.9%, respectively. This was due to the change in the business operating model of the RDF plant in Saraburi Province from the RDF production and distribution to the RDF quality improvement service through drying to reduce moisture level ("RDF moisture-reduction service") since the third quarter of 2025 onwards.

Revenue from rendering of services

For the three-month and six-month periods ended 30 June 2026, revenue from rendering of services amounted to Baht 8.10 million and Baht 16.22 million, respectively, was revenue from the treatment of wastes and revenue from RDF moisture-reduction services. The Group's service revenue increased compared to the same period of the previous year. The reasons are as follows:

Revenue from the treatment of wastes for the three-month and six-month periods ended 30 June 2026 increased from the same periods of the previous year by Baht 0.96 million or 26.8% and Baht 1.38 million or 20.4%, which varied in line with the increase in the volume of industrial waste generated in the industrial estate.

Revenue from RDF moisture-reduction service for the three-month and six-month periods ended 30 June 2026 increased from the same periods of the previous year by Baht 3.56 million and Baht 8.08 million, respectively, following the change in the operating model.

Other income

Other income was mainly comprised of income from machinery rental, revenue from scrap sales and software maintenance income.

For the three-month and six-month periods ended 30 June 2026, other income increased from the same periods of the previous year by Baht 2.45 million and Baht 3.93 million, respectively. This was mainly due to the subsidiary has leased out its idle assets to manage company assets for maximum performance and returns by creating commercial utilization and generating operational cash flow.

Expenses

Unit: in Million Baht

	Three-month period						Six-month period			
	Q2'2025		Q1'2026		Q2'2026		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Expenses										
Cost of sales of goods	95.74	66.7%	59.47	53.2%	61.17	53.6%	193.79	66.8%	120.64	53.4%
Cost of rendering of services	1.96	1.4%	13.79	12.3%	10.03	8.8%	3.70	1.3%	23.82	10.5%
Selling and Administrative expenses	37.96	26.4%	26.32	23.5%	30.67	26.9%	74.44	25.7%	56.99	25.2%
Finance costs	12.25	8.5%	11.51	10.3%	11.50	10.1%	24.89	8.6%	23.01	10.2%
Tax expense (income)	(4.32)	(3.0%)	0.76	0.7%	0.72	0.6%	(6.66)	(2.3%)	1.48	0.7%
Total expenses	143.59	100.0%	111.85	100.0%	114.09	100.0%	290.16	100.0%	225.94	100.0%

Costs of sales of goods

For the three-month period ended 30 June 2026, cost of sales of goods amounted of Baht 61.17 million, was comprised of the cost of generating and distribution of electricity of Baht 56.11 million, the cost of production and distribution of RDF of Baht 2.78 million and the cost of trading of RDF raw materials of Baht 2.28 million. And for the six-month period ended 30 June 2026, cost of sales of goods amounted of Baht 120.65 million, was comprised of the cost of generating and distribution of electricity of Baht 112.85 million, the cost of production and distribution of RDF of Baht 5.08 million and the cost of trading of RDF raw materials of Baht 2.72 million. The Group's cost of sales of goods decreased compared to the same period of the previous year. The changes resulted from the following reasons:

Cost of generating and distribution of electricity for the three-month and six-month periods ended 30 June 2026 decreased from the same period of the previous year by Baht 5.19 million or 8.5% and Baht 4.66 million or 4% , respectively. This was mainly due to a decrease in repair and maintenance costs from the same period of the previous year.

Cost of production and distribution of RDF for the three-month and six-month periods ended 30 June 2026 decreased from the same period of the previous year by Baht 31.67 million or 91.9% and Baht 71.21 million or 93.3%, respectively. This was mainly due to the change in the business operating model of the RDF production and distribution plant in Saraburi province from the RDF production and distribution to the RDF moisture-reduction services since the third quarter of 2025 onwards.

Costs of rendering of services

For the three-month period ended 30 June 2026, cost of rendering of services was Baht 10.03 million, which was comprised of the cost of RDF moisture-reduction of Baht 7.44 million, the cost of the treatment of wastes was Baht 1.70 million and cost of securities trading of Baht 0.89 million. And for the six-month period ended 30 June 2026, cost of rendering of services was Baht 23.82 million, which was comprised of the cost of RDF moisture-reduction of Baht 19.13 million, the cost of the treatment of wastes was Baht 2.91 million and cost of securities trading of Baht 1.78 million. The Group's cost of rendering of services increased compared to the same period of the previous year. The changes resulted from the following reasons:

Cost of RDF moisture-reduction for the three-month and six-month periods ended 30 June 2026 increased from the same period of the previous year by Baht 7.44 million and Baht 19.13 million, respectively, driven by the increase in service revenue.

Cost of the treatment of wastes for the three-month and six-month periods ended 30 June 2026 increased from the same period of the previous year by Baht 0.55 million and Baht 0.77 million, respectively, which was in line with the increase in the volume of industrial waste generated in the industrial estate.

Cost of securities trading for the three-month and six-month periods ended 30 June 2026 increased from the same period of the previous year from Baht 0.08 million and Baht 0.23 million, respectively. This was mainly due to software amortization.

Selling and administrative expenses

For the three-month and six-month periods ended 30 June 2026, the Group had selling and administrative expenses decreased from the same period of the previous year by Baht 7.29 million or 19.2% and Baht 17.45 million or 23.4%, respectively. This was primarily driven by lower depreciation expense following the recognition of an impairment loss on certain idle assets in 2025, alongside reduced employee expenses and transportation expenses to customers. The decline in transportation expenses was in line with the lower RDF sales volume under selling terms that included transportation services, which decreased compared to the previous year.

In this regard, selling and administrative expenses of the Group mainly consist of employee expenses, depreciation and amortization, transportation expenses, other service fees, and other administrative expenses.

Finance costs

For the three-month and six-month periods ended 30 June 2026, finance cost decreased from the same period of the previous year by Baht 0.75 million or 6.1% and Baht 1.88 million or 7.6%, respectively. The was mainly due to scheduled repayments on borrowings from financial institutions and leasing companies, alongside a reduction in commercial bank lending rates compared to the same periods of the prior year.

Tax expense (income)

For the three-month and six-month periods ended 30 June 2026, the Group recognized income tax expense of Baht 0.72 million and Baht 1.48 million, respectively. This was primarily due to deferred tax adjustments arising from temporary differences between accounting and taxation treatments regarding impairment allowance adjustments on assets.

Gross profit and net loss for the period

1. Gross profit *

For the three-month period ended 30 June 2026, the Group reported gross profit of 23.41 million, an increase of Baht 22.53 million compared to the same period of the previous year. Gross profit margins for the three-month period ended 30 June 2026 and 2025 were 24.7% and 0.89%, respectively.

For the six-month period ended 30 June 2026, the Group reported gross profit of Baht 38.66 million, an increase of Baht 28.01 million compared to the same period of the previous year. Gross profit margins for the six-month period ended 30 June 2026 and 2025 were 21.11% and 5.12%, respectively.

The increase in gross profit was primarily driven by higher revenue from generating and distribution of electricity, resulting from an increase in electricity sales volume compared to the prior year. This was further supported by a reduction in repair and maintenance expenses, as well as a change in the business operating model from producing and distributing to providing RDF moisture-reduction services, which enhanced the Group's gross profit margin. Additionally, the Group effectively managed production costs despite rising cost pressures, particularly fuel costs, impacted by domestic oil price volatility.

Remark Gross profit * = (Revenue from rendering of services + Revenue from sale of goods) – (Cost of rendering of services + Cost of sales of goods)

Gross profit margin = Gross profit / (Revenue from rendering of services + Revenue from sale of goods)

2. Net loss for the period

For the three-month period ended 30 June 2026, the Group had a loss for the period of Baht 16.57 million, a decrease by Baht 27.74 million or 62.6% compared to the same period of the previous year. And for the six-month period ended 30 June 2026, the Group had a loss for the period of Baht 37.16 million, a decrease by Baht 42.59 million or 53.4% compared to the same period of the previous year.

The loss was mostly attributable to the RDF production and distribution business. Although transitioning from RDF production and distribution to providing RDF moisture-reduction services improved gross profitability, operations continued to run below full capacity, along with a temporary suspension of operations in June 2026, causing this segment to remain loss-making for the current period.

Financial Position

Unit: in Million Baht

	As at 30 June 2026	As at 31 December 2025	Decrease	%
Total assets	1,379.84	1,428.94	(49.10)	(3.4%)
Total liabilities	749.78	761.73	(11.95)	(1.6%)
Total equity	630.06	667.21	(37.15)	(5.6%)

Total assets

Total assets of the Group primarily consist of property, plant and equipment, investment properties, and intangible assets. As of 30 June 2026 and 31 December 2025, total assets of the Group stood at Baht 1,379.84 million and Baht 1,428.94 million, respectively, representing a decrease of Baht 49.1 million or 3.4%, primarily due to depreciation and amortization recognized during the period.

Total liabilities

Total liabilities of the Group primarily consist of loans from financial institutions, debentures and lease liabilities. As of 30 June 2026 and 31 December 2025, total liabilities of the Group stood at Baht 749.78 million and Baht 761.73 million, respectively. The decrease of Baht 11.95 million, or 1.6% was mainly due scheduled loan repayments to financial institutions and leasing companies.

Equity

As of 30 June 2026 and 31 December 2025, equity of the Group stood at Baht 630.06 million and Baht 667.21 million, respectively. Equity decreased by Baht 37.15 million, or 5.6% , as a result of the net loss recorded for the six-month period ended 30 June 2026.