TKC-ELCID/008/2026

13 August 2026

Subject Management Discussion and Analysis for the three-month period ended 30 June 2026.

To The Director and the Manager of the Stock Exchange of Thailand

Turnkey Communication Services Public Company Limited ("the Company") would like to submit the financial statement for the three-month period ended 30 June 2026, which has been reviewed by the Auditor, as well as the explanation and analysis from the Management, to provide interesting information to the investors and the public. The operational performance of the Company for the three-month period ended 30 June 2026 is as follows:

Overview of Operating Results and Factors Leading to Significant Changes

Summary of Operating Results

Item	30 June 2026		30 June 2025		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Total revenue *	1,025.80	100.00	412.52	100.00	613.28	148.67
Total operating expenses *	938.42	91.48	393.04	95.28	545.38	138.76
Net profit for the period	**87.38**	**8.52**	**19.48**	**4.72**	**67.90**	**348.56**

* Classification of transactions

Overview of the Company's operating results for the three-month period ended 30 June 2026, that is, total revenue increased by Baht 613.28 million, equivalent to 148.67% compared to the same period last year. This was because the Company recognized revenue from the national learning management platform development project and the government central cloud expansion project, both of which are large-scale projects.

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Total operating expenses for the three-month period ended 30 June 2026 increased by Baht 545.38 million, equivalent to 138.76% compared to the same period last year, in line with the increase in revenue from project work.

Net profit for the three-month period ended 30 June 2026 increased by Baht 67.90 million, equivalent to 348.56% compared to the same period last year, in line with the increase in revenue from project work.

Analysis of Operation Results

1. Revenues

For the three-month period ended 30 June 2026, the Company had total revenue of Baht 1,025.80 million, an increase of Baht 613.28 million, equivalent to 148.67% compared to the same period last year. This was mainly due to an increase in revenue from project work.

Item	30 June 2026		30 June 2025		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales and services	1,023.55	99.78	403.98	97.93	619.57	153.37
Other incomes *	2.25	0.22	8.54	2.07	(6.29)	(73.65)
Total revenues	**1,025.80**	**100.00**	**412.52**	**100.00**	**613.28**	**148.67**

* Classification of transactions

1.1. Revenue from sales and services

Item	30 June 2026		30 June 2025		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from turnkey projects	848.49	82.90	118.54	29.34	729.95	615.78
Revenue from services and maintenance	173.97	17.00	246.07	60.91	(72.10)	(29.30)
Revenue from sales	1.09	0.10	39.37	9.75	(38.28)	(97.23)
Total revenues from sales and services	**1,023.55**	**100.00**	**403.98**	**100.00**	**619.57**	**153.37**

1.1.1 Revenues from turnkey projects

Revenues from providing design, sourcing, and installation of information technology systems, telecommunication systems, public safety systems, and digital services business.

For the three-month period ended 30 June 2026, the Company had revenue from turnkey projects of Baht 848.49 million, an increase of Baht 729.95 million, equivalent to 615.78% compared to the same period last year, because the Company recognized revenue from the national learning management platform development project and the government central cloud expansion project, both of which are large-scale projects.

1.1.2 Revenues from engineering services and maintenance

Revenues from providing installation and testing services for telecommunication systems, maintenance services, internet services, and services to develop information technology knowledge and skills for the digital society.

For the three-month period ended 30 June 2026, the Company had revenue from engineering services and maintenance of Baht 173.97 million, a decrease of Baht 72.10 million, equivalent to 29.30%, due to the high-speed internet service project and the project to develop information technology knowledge and skills for the digital society.

1.1.3 Revenue from sales

Revenues from the distribution of information technology equipment and telecommunication equipment.

For the three-month period ended 30 June 2026, the Company had sales revenue of Baht 1.09 million, a decrease of Baht 38.28 million, equivalent to 97.23% compared to the same period last year, because in the previous year the Company sold equipment for Thailand's central cloud project in public health, which was a large-scale project.

1.2. Other incomes

For the three-month period ended 30 June 2026, the Company had other income of Baht 2.25 million, a decrease of Baht 6.29 million, equivalent to 73.65% compared to the same period last year, mainly interest income from loans.

2. Cost of Sales and Services

Item	30 June 2026		30 June 2025		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Cost of turnkey projects	723.41	79.55	102.60	29.03	620.81	605.08
Cost of engineering services and maintenance	185.24	20.37	224.83	63.62	(39.59)	(17.61)
Cost of sales	0.73	0.08	25.97	7.35	(25.24)	(97.19)
Total cost	**909.38**	**100.00**	**353.40**	**100.00**	**555.98**	**157.32**
Gross profit	**114.17**		**50.58**			
Gross profit (%)	**11.15%**		**12.52%**			

For the three-month period ended 30 June 2026, the Company had total cost of Baht 909.38 million, an increase of Baht 555.98 million, equivalent to 157.32% compared to the same period last year. The main cost that increased was the cost of turnkey projects, which was in line with the increase in revenue from project work.

3. Expenses

Expenses types	30 June 2026		30 June 2025		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Selling expenses	9.77	14.22	9.80	13.65	(0.03)	(0.31)
Administrative expenses	42.96	62.52	50.45	70.27	(7.49)	(14.85)
Finance cost	15.98	23.26	11.54	16.08	4.44	38.47
Total expenses	**68.71**	**100.00**	**71.79**	**100.00**	**(3.08)**	**(4.29)**
% Of revenues from sales and services	**6.71**		**17.77**			

Selling expenses

For the three-month period ended 30 June 2026, the Company had selling expenses of Baht 9.77 million, a decrease of Baht 0.03 million, equivalent to 0.31%, which is close to the same period last year.

Administrative expenses

For the three-month period ended 30 June 2026, the Company had administrative expenses of Baht 42.96 million, a decrease of Baht 7.49 million, equivalent to 14.85% compared to the same period last year. The Company reversed an expected credit loss (ECL) provision, which caused administrative expenses to decrease below the normal level.

Finance cost

For the three-month period ended 30 June 2026, the Company had finance cost of Baht 15.98 million, an increase of Baht 4.44 million, equivalent to 38.47% compared to the same period last year.

The Company borrowed money from financial institutions in the third quarter of 2025 to pay for the purchase of investments in associates. As a result, the interest burden increased with the higher loan amount, causing the Company's finance cost for this period to increase significantly from the previous year. The Company received dividends from such associates higher than the finance cost paid.

Financial Position Analysis

1. Assets

Items that has significant changes	30 June 2026	31 December 2025	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Cash and cash equivalents	36.21	143.34	(107.13)	(74.74)
Trade and other receivables	1,491.83	1,251.91	239.92	19.16
Lease receivables	82.67	109.00	(26.33)	(24.16)
Contract assets	1,324.85	1,118.14	206.71	18.49
Inventories	104.69	22.85	81.84	358.16
Investment in associates	2,732.90	2,740.88	(7.98)	(0.29)
Other non-current assets	71.83	33.76	38.07	112.77
Total assets	**6,889.46**	**6,362.82**	**526.64**	**8.28**

As of 30 June 2026, the Company had total assets of Baht 6,889.46 million, an increase of Baht 526.64 million, equivalent to 8.28% compared to total assets as of 31 December 2025. Assets with significant changes were as follows:

- Cash and cash equivalents decreased by Baht 107.13 million due to the Company's conditional liabilities payments for various projects.
- Trade and other receivables increased by Baht 239.92 million because the Company issued invoices to collect payment from customers and received payment in accordance with the conditions.
- Lease receivables decreased by Baht 26.33 million due to the Company’s receiving payment according to the terms of the contract.
- Contract assets increased by Baht 206.71 million because the Company has performed the project contract but has not yet reached the payment deadline.
- Inventories increased by Baht 81.84 million due to the Company's orders and receipts of goods at the end of the financial reporting period for project work, to ensure operations are in accordance with the contract schedule.

- Investment in associates decreased by Baht 7.98 million due to the Company's investment in ordinary shares of a company listed on the Stock Exchange of Thailand. The associate recorded a profit attributable to the Company of Baht 104.63 million, and the Company received dividends of Baht 112.60 million.
- Other non-current assets increased by Baht 38.07 million due to the Company and its subsidiaries applying for tax refunds relating to the 2025 operating results, which are currently under the tax refund process.

2. Liabilities

Items that has significant changes	30 June 2026	31 December 2025	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Loans from financial institutions	1,344.61	1,416.92	(72.31)	(5.10)
Trade and other payables	831.43	358.01	473.42	132.24
Contract liabilities	146.69	113.05	33.64	29.76
Provision for employee benefits	79.75	92.59	(12.84)	(13.87)
Total liabilities	**2,678.26**	**2,214.28**	**463.98**	**20.95**

As of 30 June 2026, the Company had total liabilities of Baht 2,678.26 million, an increase of Baht 463.98 million, equivalent to 20.95% compared to total liabilities as of 31 December 2025. Liabilities with significant changes were as follows:

- Loans from financial institutions decreased by Baht 72.31 million due to the Company's conditional payments.
- Trade and other payables increased by Baht 473.42 million due to the fact that the Company has received services but has not yet paid its debts, which is in accordance with commercial conditions.
- Contract liabilities increased by Baht 33.64 million due to the Company's delivery of turnkey project under the contract that received advance payments from customers according to the contract period.

- Provision for employee benefits decreased by Baht 12.84 million due to the payment of benefits to employees whose project-based employment had ended.

3. Shareholders' Equity

As of 30 June 2026, the Company had shareholders' equity of Baht 4,211.20 million, an increase of Baht 62.66 million, equivalent to 1.51% compared to shareholders' equity as at 31 December 2025, due to operating results for the six-month period ended 30 June 2026 of Baht 142.60 million and dividend payments of Baht 80.00 million, and an increase in non-controlling interests of subsidiaries of Baht 0.06 million from a capital increase.

4. Suitability of the capital structure

As at 30 June 2026, the Company's debt-to-equity ratio was 0.64 times, an increase from 0.53 times at 31 December 2025, with an increase in total liabilities of Baht 463.98 million and an increase in shareholders' equity of Baht 62.66 million.

Sustainability Development

The Company places great importance on sustainable development, conducting its business within an Environmental, Social, and Governance (ESG) framework to create long-term value for all stakeholders and to meet the expectations of investors who place importance on social and environmental responsibility and transparent business operations.

The Company has developed a systematic corporate-level sustainability management approach, covering materiality assessment, risk management, target setting, and performance monitoring, to support the United Nations Sustainable Development Goals (SDGs), with the following key approaches:

1. Environmental

The Company places importance on environmental management alongside its business operations, aiming to use resources efficiently, reduce unnecessary energy and resource consumption, promote the use of renewable energy, and continuously apply environmentally friendly practices in its operating processes. In addition, the Company encourages employees to participate in natural resource conservation and reducing environmental impact, to strengthen long-term growth that is responsible to society and the environment.

2. Social

The Company aims to create shared value with its employees, communities, and society by focusing on developing personnel capabilities, building a safe working environment, and promoting equitable treatment of all stakeholders, as well as supporting local employment and economic opportunities, while conducting its business in accordance with human rights principles and social responsibility.

3. Economy & Governance

The Company conducts its business under good corporate governance principles, upholding transparency, ethics, and responsibility to all stakeholders, while continuously developing its management and risk oversight systems to strengthen long-term confidence and stability in the organization. In addition, the Company aims to raise operational efficiency, develop personnel capabilities, and maintain good relationships with customers, to support sustainable growth and create added value for all stakeholders.

The Company will continue to drive its sustainability efforts across all dimensions, to balance business growth with responsibility toward the environment, society, and good corporate governance, which will lead to the creation of long-term value and stable, sustainable returns for all stakeholders.

Please be informed accordingly

Sincerely yours,

(Mr. Sayam Tiewtranon)

Managing Director

Corporate Secretary
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