AC.010/2026

(Translate)

August 11, 2026

Subject: Management Discussion and Analysis (MD&A) Q2/2026

Attention: Directors and Managers

Stock Exchange of Thailand

BPS Technology Public Company Limited (the "Company") would like to present its reviewed operating results for the period ended June 30, 2026, which have been reviewed by the certified public accountant, as follows:

Key Financial Information

Company Performance Overview

Summary of Operating Results for the Three-Month and Six-Month Periods Ended June 30, 2026

Unit: Million Baht

	Q2/2026			Six-Month 2026			Q1/2026		
	Amount	Increase (Decrease)	% Increase (Decrease)	Amount	Increase (Decrease)	% Increase (Decrease)	Amount	Increase (Decrease)	% Increase (Decrease)
Operating Revenue	167.70	49.72	42.14%	298.98	43.61	17.08%	131.28	36.42	27.74%
Cost of Sales and Services	138.84	40.79	41.60%	247.30	34.97	16.47%	108.45	30.39	28.02%
Net Profit (Loss)	**6.22**	**6.17**	**12,340%**	**7.14**	**4.06**	**131.82%**	**0.93**	**5.29**	**568.82%**

Operating Results for Q2/2026 for the Three-Month Period

The Company had total operating revenue of Baht 167.70 million, an increase of Baht 49.72 million, or an increase of 42.14%, from Q2/2025. The main reason was an increase in revenue from sales of electrical connection products of Baht 23.94 million, or 21.40%, and an increase in revenue from sales of energy products of Baht 27.74 million, or 994.27%, while revenue from installation services for electrical systems in buildings decreased by Baht 1.81 million, or 69.35%. The main factor was support from the government through the introduction of tax deduction measures for rooftop solar installations for individual taxpayers, resulting in higher product orders from contractor customers and real estate developers. In addition, the Company increased its purchases of solar installation equipment to support market demand. Operating revenue in Q2/2026 increased by Baht 36.42 million, or an increase of 27.74%, compared with Q1/2026, due to an increase in revenue from sales of energy products of Baht 29.95 million.

The Company had total cost of sales and services of Baht 138.84 million, an increase of Baht 40.79 million, or an increase of 41.60%, compared with the same period of the previous year. The Company's cost of sales and services increased by Baht 30.39 million, or 28.02%, compared with Q1/2026, varying in line with revenue.

The Company had a net profit of Baht 6.22 million, an increase of Baht 6.17 million, or an increase of 12,340%, compared with the same period of the previous year, due to the increase in revenue from sales and services. The Company's net profit for Q2/2026 increased by Baht 5.29 million, or an increase of 568.82%, compared with Q1/2026, due to the increase in revenue from sales of energy products.

Operating Results for the Six-Month Period of 2026

For the six-month period ended 30 June 2026, the Company had total operating revenue of Baht 298.98 million, an increase of Baht 43.61 million, or an increase of 17.08%, compared with the same period of the previous year. Revenue from sales of electrical products increased by Baht 17.49 million, or 7.27%, revenue from sales of energy products increased by Baht 26.35 million, or 553.57%, while revenue from installation services decreased by Baht 4.18 million, or 100%, compared with the same period of the previous year. The main factor continued to be higher product orders from contractor customers, real estate developers, and residential customers (B2C), following the government's introduction of tax deduction measures for rooftop solar installations for individual taxpayers, which are effective during 2026–2028.

The Company had cost of sales and services for the six-month period ended 30 June 2026 of Baht 247.30 million, an increase of Baht 34.97 million, or an increase of 16.47%, compared with the six-month period ended 30 June 2025, in line with the increase in revenue.

The Company had a net profit of Baht 7.14 million, an increase of Baht 4.06 million, or an increase of 131.82%, compared with the first six months of 2025, due to the increase in revenue.

Operating Revenue for the Six-Month 2026

Unit: Million Baht

Revenue from Core Business	Q2-2026	Q2-2025	Increase (Decrease)	% Increase (Decrease)	Q1-2026	Increase (Decrease)	% Increase (Decrease)
Revenue from sales of electrical connection products and rooftop solar energy products	289.35	245.50	43.85	17.86%	122.91	43.53	35.42
Revenue from installation services for rooftop solar energy projects and electrical connection systems in buildings	9.63	9.87	(0.24)	(2.43%)	8.37	(7.11)	(84.95%)
Total Revenue from Core Business	298.98	255.37	43.61	17.08%	131.28	36.42	27.74%
Other income	1.96	1.12	0.84	75.00%	0.42	1.12	266.67%
Total Revenue	**300.94**	**256.49**	**44.45**	**17.33%**	**131.70**	**37.54**	**28.50%**

For the six-month period of 2026, the Company had total revenue from sales of products of Baht 289.35 million, an increase of Baht 43.85 million, or an increase of 17.86%, compared with the same period of the previous year, which amounted to Baht 245.50 million. The increase was mainly attributable to the following:

- Revenue from sales of electrical system products amounted to Baht 258.02 million, an increase of Baht 17.49 million, or an increase of 7.27%, from Q2/2025, which amounted to Baht 240.53 million. The increase was due to higher product orders from contractor customers, real estate developers, and residential customers (B2C).
- Revenue from sales of energy products amounted to Baht 31.11 million, an increase of Baht 26.35 million, or an increase of 553.57%, from Q2/2025, which amounted to Baht 4.76 million. The increase was due to support from the government through the introduction of tax deduction measures for rooftop solar installations for individual taxpayers. In addition, the Company expanded its range of products related to solar installations to accommodate customer demand.
- Revenue from sales of technology and communication products amounted to Baht 0.20 million, an increase of Baht 0.04 million, or an increase of 20.00%, from Q2/2025.
- Revenue from sales of other products (construction equipment and furniture) amounted to Baht 0.03 million, a decrease of Baht 0.02 million, or a decrease of 50.00%, from Q2/2025, which amounted to Baht 0.50 million. The decrease was due to the absence of revenue from built-in furniture sales, while revenue from sales of carport roofing was recognized during the period.

Revenue from sales of products in Q2/2026 amounted to Baht 166.44 million, an increase of Baht 43.53 million, or an increase of 35.42%, compared with Q1/2026, which amounted to Baht 122.91 million.

Revenue from Installation Services for Rooftop Solar Energy Projects and Electrical Connection Systems in Buildings

For the six-month period of 2026, the Company had revenue of Baht 9.63 million, a decrease of Baht 0.24 million, or a decrease of 2.43%, compared with the same period of the previous year, which amounted to Baht 9.87 million. Revenue from services in Q2/2026 amounted to Baht 1.26 million, a decrease of Baht 7.11 million, compared with Q1/2026, which amounted to Baht 8.37 million, as the Modular Home installation services were completed in Q1/2026 and no additional projects were undertaken.

Other Income

For the six-month period of 2026, other income amounted to Baht 1.96 million, an increase of Baht 0.84 million, or an increase of 75.00%, compared with the same period of the previous year, which amounted to Baht 1.12 million, due to additional income from warehouse rental and sales promotion income. Other income in Q2/2026 amounted to Baht 1.69 million, an increase of Baht 1.12 million, or an increase of 266.67%, compared with Q1/2026, which amounted to Baht 0.42 million, due to warehouse rental income and other income arising from the reversal of accrued interest expenses and fees previously estimated in the prior year, as the Company made early repayment of bank borrowings prior to the due date specified in the agreement.

Profitability

Unit: Million Baht

	Q2-2026	Q2-2025	Increase (Decrease)	% Increase (Decrease)	Q1-2026	Increase (Decrease)	% Increase (Decrease)
Gross profit - (sales)	52.21	41.02	11.19	27.28%	23.15	5.90	25.49%
Gross profit (Loss) - (services)	(0.52)	2.02	(2.54)	(125.74%)	(0.32)	(0.12)	(37.50%)
Profit before tax	9.08	3.97	5.11	128.72%	1.33	6.42	482.71%
EBIDA	13.71	9.70	4.01	41.34%	3.84	6.03	157.03%

The Company had gross profit from sales of products for the six-month period of 2026 of Baht 52.21 million, an increase of Baht 11.19 million, or an increase of 27.28%, compared with the same period of the previous year, which amounted to Baht 41.02 million. Gross profit from sales of products increased by Baht 5.90 million, or an increase of 25.49%, compared with Q1/2026, which amounted to Baht 23.15 million, due to the increase in revenue from sales of products.

The Company had a gross loss from services for the six-month period of 2026 of Baht (0.52) million, a decrease of Baht 2.54 million, or a decrease of 125.74%, compared with the same period of the previous year, which had gross profit from services of Baht 2.02 million, due to no new projects being undertaken in Q2/2026. The gross loss from services in Q2/2026 amounted to Baht (0.20) million, a decrease of Baht 0.12 million, or a decrease of 37.50%, compared with Q1/2026, which had a gross loss from services of Baht (0.32) million, due to the recognition of additional costs arising from remedial work related to the Modular Home installation services.

The Company had profit before tax for the six-month period of 2026 of Baht 9.08 million, an increase of Baht 5.11 million, or an increase of 128.72%, compared with the same period of the previous year, which amounted to Baht 3.97 million, due to the increase in revenue from sales of products.

The Company had EBIDA for the six-month period of 2026 of Baht 13.71 million, an increase of Baht 4.01 million, or an increase of 41.34%, compared with the same period of the previous year. EBIDA increased by Baht 6.03 million, or an increase of 157.03%, compared with Q1/2026.

Operating Expenses and Finance Costs

Unit: Million Baht

	Q2-2026	Q2-2025	Increase (Decrease)	% Increase (Decrease)	Q1-2026	Increase (Decrease)	% Increase (Decrease)
Distribution expenses	21.81	18.22	3.59	19.70%	10.55	0.71	6.73%
Administrative expenses	21.96	20.84	1.12	5.37%	10.91	0.14	1.28%
Financial cost	0.79	1.13	(0.34)	(30.09%)	0.45	(0.11)	(24.44%)
Income tax expense (income)	1.93	0.89	1.04	116.85%	0.40	1.13	282.50%

Distribution Costs

The Company had distribution costs for the six-month period of 2026 of Baht 21.81 million, an increase of 19.70%, compared with the same period of the previous year. The increase was due to an increase in advertising expenses of Baht 0.57 million, freight expenses of Baht 0.45 million, commission expenses of Baht 0.15 million, travelling expenses of Baht 0.25 million, labor costs from short-term employment contracts of Baht 1.02 million, and salaries of sales and warehouse personnel of Baht 0.73 million as a result of the annual salary adjustment.

Administrative Expenses

Administrative expenses for the six-month period of 2026 amounted to Baht 21.96 million, an increase of 5.37%, compared with the same period of the previous year, due to an increase in salaries of Baht 0.55 million as a result of the annual salary adjustment, an increase in office service expenses of Baht 0.54 million from participation in the Jump+ Program with the Stock Exchange of Thailand, and an increase in software service expenses of Baht 0.30 million. Administrative expenses increased by Baht 0.14 million, or an increase of 1.28%, compared with Q1/2026, which amounted to Baht 10.91 million, due to the annual salary adjustment for 2026 in Q2/2026 and local maintenance tax and house and land tax assessed in Q2/2026.

Finance Costs

Finance costs for the six-month period of 2026 amounted to Baht 0.79 million, a decrease of 30.09%, compared with the same period of the previous year, which amounted to Baht 1.13 million, due to the Company's early repayment of bank borrowings, resulting in a decrease in interest expenses and bank loan fees. Finance costs decreased by Baht 0.11 million, or a decrease of 24.44%, compared with Q1/2026, which amounted to Baht 0.45 million.

Income Tax Expense

Income tax expense for the six-month period of 2026 amounted to Baht 1.93 million, an increase of 116.85%, compared with the same period of the previous year, which amounted to Baht 0.89 million, due to the increase in operating profit. Income tax expense increased by Baht 1.13 million, or an increase of 282.50%, compared with Q1/2026, which amounted to Baht 0.40 million, due to the increase in operating profit resulting from higher sales.

Summary of Financial Position

Assets / Liabilities and Shareholders' Equity

Unit: Million Baht

	30 June 2026	31 December 2025	Increase (Decrease)	% Increase (Decrease)
Current Assets	293.02	267.37	25.65	9.59%
Non-current Assets	159.72	159.52	0.20	0.13%
Total Assets	452.74	426.89	25.85	6.06%
Current Liabilities	144.44	111.85	32.59	29.14%
Non-current Liabilities	20.02	28.90	(8.88)	(30.73%)
Total Liabilities	164.46	140.75	23.71	16.85%
Shareholders' Equity	288.28	286.14	2.14	0.75%

Total Assets

Total assets as at 30 June 2026 amounted to Baht 452.74 million, an increase of Baht 25.85 million, or an increase of 6.06%, compared with total assets as at 31 December 2025, which amounted to Baht 426.89 million. The increase was due to an increase in trade and other receivables of Baht 16.60 million as a result of higher sales and an increase in prepaid expenses for goods, and an increase in inventories of Baht 31.55 million from the purchase of electrical conduits, electrical wires, and solar installation equipment to support higher sales. Meanwhile, cash and cash equivalents decreased by Baht 22.75 million due to dividend payments to shareholders and advance payments for solar installation equipment.

Asset quality

Trade receivables

Unit: Million Baht

	Consolidated Financial Statements	
	30 June 2026	31 December 2025
Trade Receivables	102.54	86.81
Less Allowance for expected credit losses	(8.05)	(8.03)
Total Trade Receivables - Net	**94.49**	**78.78**

As at 30 June 2026 and 31 December 2025, the Company recorded an allowance for expected credit losses of Baht 8.05 million and Baht 8.03 million, respectively. The Company recognizes expected credit losses on trade receivables without the need to wait for a credit impairment event to occur. The Company determines the allowance for expected credit losses based on an ECL matrix in assessing lifetime expected credit losses for trade receivables. In addition, the Company has obtained trade credit insurance to mitigate the credit risk associated with its trade receivables.

Inventory

Unit: Million Baht

	Consolidated Financial Statements	
	30 June 2026	31 December 2025
Inventories	123.07	90.66
Less Allowance for inventory obsolescence	(11.26)	(10.41)
Inventories-Net	**111.81**	**80.25**

As at 30 June 2026, the Company recorded a write-down of inventories to net realizable value of Baht 0.85 million, compared with 31 December 2025. The Company estimates the net realizable value of inventories based on changes in selling prices or costs directly related to events occurring after the end of the reporting period (NRV), and also takes into consideration inventory movements and prevailing economic conditions (Aging). Management believes that the current write-down of inventories to net realizable value is adequate.

Total Liabilities

Total liabilities as at 30 June 2026 amounted to Baht 164.46 million, an increase of Baht 23.71 million, or an increase of 16.85%, compared with total liabilities as at 31 December 2025, which amounted to Baht 140.75 million. The increase was due to an increase in trade and other payables of Baht 37.37 million from purchases of electrical wires, steel conduits, and electrical conduit pipes to support higher sales. Meanwhile, long-term borrowings decreased by Baht 15.00 million due to the full repayment of the loan account, lease liabilities decreased by Baht 0.52 million, and non-current liabilities for employee benefits increased by Baht 0.64 million.

Shareholders' Equity

Shareholders' equity as at 30 June 2026 amounted to Baht 288.28 million, an increase of Baht 2.14 million, or an increase of 0.75%, compared with shareholders' equity as at 31 December 2025, which amounted to Baht 286.14 million. The increase was due to profit from operations for the six-month period of 2026 of Baht 7.14 million, offset by dividend payments of Baht 5.00 million.

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The debt-to-equity ratio as at 30 June 2026 was 0.57 times, an increase of 0.08 times, compared with the debt-to-equity ratio as at 31 December 2025, which was 0.49 times. The increase was due to dividend payments for 2025 of Baht 5.00 million, resulting in shareholders' equity increasing by only 0.75%, while total liabilities increased by 16.85% due to purchases of products to support higher sales.

Cash Flows	
(Unit: Million Baht)	Q2-69
Net cash from (used in) operating activities	3.27
Net cash from (used in) investing activities	(3.74)
Net cash from (used in) financing activities	(22.28)
Net increase in cash and cash equivalents	(22.75)
Cash and cash equivalents at the beginning of the period	87.98
Cash and cash equivalents at the end of the period	65.23

For the period ended 30 June 2026, the Company had a net decrease in cash and cash equivalents of Baht 22.75 million. The Company had cash and cash equivalents at the beginning of the period of Baht 87.98 million and cash and cash equivalents at the end of the period of Baht 65.23 million. Details of cash flows from each activity are as follows:

Net cash provided by operating activities amounted to Baht 3.27 million, arising from profit from operations before changes in operating assets and liabilities of Baht 14.40 million, an increase in trade receivables of Baht 16.61 million, an increase in inventories of Baht 32.19 million, an increase in trade and other payables of Baht 38.75 million, and income tax payments of Baht 0.94 million.

Net cash used in investing activities amounted to Baht 3.74 million, mainly consisting of payments for the purchase of assets related to office equipment, computer equipment, and FTTx installation equipment of Baht 3.45 million, payments for the purchase of software of Baht 0.41 million, and cash received from interest on fixed deposits of Baht 0.17 million.

Net cash used in financing activities amounted to Baht 22.28 million, mainly consisting of payments for finance costs of Baht 1.46 million, repayments of long-term borrowings of Baht 15.00 million, payments of lease liabilities of Baht 0.54 million, and dividend payments to shareholders of Baht 5.00 million.

Key Financial Ratios

Return Rate (%)	Q2 2026	YTD 2025
Return on Asset (ROA)	1.58	1.10
Return on Equity (ROE)	2.45	1.64
Liquidity Ratio (times)		
Current Ratio	2.03	2.39
Quick Ratio	1.25	1.67
Asset and Liability Management (days)		
Average Collection Period	52	58
Average Inventory Period	70	63
Average Payment Period	77	77
Debt Ratio Analysis (times)		
Times Interest Earned	18.78	3.83
DSCR	-	1.83
Loans from Financial Institutions to Debt	-	11%
Debt to Equity Ratio Analysis (times)		
Total Debt to Equity (D/E Ratio)	0.57	0.49

The return on assets (ROA) and return on equity (ROE) increased from 2025, as a result of the increase in operating profit in Q2/2026.

The current ratio and quick ratio decreased from 2025 due to a decrease in current assets, particularly bank deposits. Trade receivables and inventories increased, while liabilities also increased, mainly from an increase in trade and other payables.

The average collection period decreased by 6 days, from 58 days to 52 days. The Company has a trade credit policy and considers credit limits as appropriate for each customer.

The average inventory turnover period increased by 7 days from the previous year, from 63 days to 70 days in Q2/2026, due to the procurement of additional inventories to support higher sales.

The average payment period remained unchanged from the end of 2025 at 77 days, as trade and other payables increased while cost of sales also increased accordingly.

Note: Asset and liability management ratios are calculated based on 181 days.

Debt Ratio Analysis

The interest coverage ratio increased from 3.83 times in the previous year to 18.78 times in Q2/2026, due to the increase in operating profit. Meanwhile, the debt service coverage ratio (DSCR) was 1.83 times in the previous year, while in Q2/2026, the Company had fully repaid and closed its bank loan account.

Debt-to-Equity Ratio Analysis

The total liabilities to shareholders’ equity ratio (D/E Ratio) increased from 0.49 times in the previous year to 0.57 times in Q2/2026, as the Company’s liabilities increased due to an increase in trade and other payables at a higher proportion than the increase in shareholders’ equity.

Business Outlook for the Next Quarter

The Company expects that business conditions in the next quarter will continue to present both opportunities and challenges arising from economic conditions, purchasing power, and credit conditions. The Company will pursue its growth strategy together with prudent management of costs, working capital, and risks in order to maintain its competitiveness and generate sustainable returns for shareholders.

For the electrical conduit and fittings business under the TF brand, the Company plans to expand its market base by increasing the number of distributors in provincial areas and expanding distribution channels to the modern trade segment. This will be carried out together with marketing activities to increase brand awareness and strengthen the brand. The Company will also focus on the efficiency of distribution channels, the appropriateness of its cost structure, as well as maintaining inventory and trade receivables at appropriate levels.

For the energy business, the Company aims to expand its network of solar energy system installers in order to increase opportunities to reach customers and develop its network of business partners, as well as to further expand into the retail customer segment. The increasing focus on clean energy, reduction of energy costs, and relevant government support measures may support the growth of the business. However, the Company will consider investments and market expansion with due consideration to returns, risks, and its ability to manage cash flows.

For the Data Platform business, the Company is currently testing pilot projects, including a safety data reporting and monitoring system, a CCTV operating status monitoring system, and an operational performance monitoring system for residential projects. The Company will evaluate the pilot projects in terms of performance, economic feasibility, their ability to reduce costs or improve efficiency for customers, and scalability before considering further development into commercial products or services.

For the real estate sector, the Company expects the recovery to be gradual. Developers continue to focus on reducing existing inventory and selectively launching new projects in locations with potential, while condominium projects and projects currently under construction are expected to continue. However, the commencement of new projects may be affected by consumer purchasing power, household debt, and tighter credit approval criteria.

Under these conditions, the Company will closely monitor the progress and profitability of projects on hand, while focusing on cost control, liquidity management, trade credit risk, and inventory levels. In addition, the Company will continue to expand its customer base into business segments with potential in order to reduce reliance on any single market and support stable long-term growth.