บริษัท กันยงอีเลคทริก จำกัด (มหาชน)
KANG YONG ELECTRIC PUBLIC COMPANY LIMITED
67 หมู่ 11 ถ.เทพรัตน กม.20 ต.บางโฉลง อ.บางพลี จ.สมุทรปราการ 10540
67 Moo 11,Debaratna Road km.20,Bangchalong,Bangplee,Samutprakan 10540
Tel : +66-2-337-2900 Fax : +66-2-337-2439-40
URL : http ://www.mitsubishi-kye.com



M.D. 109/2026

11 November 2026

Subject: Notification of quarter 2/2026 operating results and financial position

To: President of the Stock Exchange of Thailand

With reference to Kang Yong Electric Public Company Limited's submission of financial statements for quarter 2/2026 (July 2026 – September 2026) duly reviewed by a certified public accountant, we would like to give clarification on the Company's operating results and financial position as follows:

Business Overview

In the fiscal year 2026, the Company faced higher manufacturing cost burdens resulting from rising raw material prices, particularly copper and aluminum, alongside global oil price volatility, causing manufacturing costs to increase by 4.5% compared to the previous year. Furthermore, the Middle East conflicts impacted on export expenses, which surged by 19% year-on-year. To offset these rising costs, the Company implemented price adjustments for certain models in selected countries, alongside introducing cost-reduction initiatives in manufacturing processes.

Global economic headwinds led to a decline in sales volume for refrigerator products across all market segments, particularly in Japan, where economic recession and currency depreciation caused total sales across all product lines in the Japanese market to drop by 9.3% compared to the previous year. Conversely, water pump sales amounts in Thailand and overseas markets in Southeast Asia increased by 9.4% year-on-year, while electric fan sales in Thailand and Vietnam grew by 7.9% year-on-year.

Nevertheless, the Company remained proactive in driving sales growth by collaborating with both domestic and international distributors to expand market share across all product categories. Key initiatives included promotional campaigns, expanding market channels by positioning the Company's products as commemorative gifts for corporate anniversaries, and pursuing B2B sales opportunities.

Consequently, for the overall second quarter of the fiscal year 2026, despite a sales slowdown in the Japanese refrigerator market, higher water pump sales driven by competitors' price increases, combined with dividend income, enabled the Company to maintain a strong financial position, with total cash and bank deposits amounting to 3,744.4 million baht.

Business Operation Plan

The Company plans to expand its product lineup by introducing high-capacity water pumps (600 watts) to meet the demands of large residential properties, as well as extending applications into non-residential sectors such as agriculture. Concurrently, the Company remains focused on developing energy-efficient products to enhance competitiveness and achieve sustainable revenue growth.

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## Management Discussion and Analysis

**Highlights: 2nd quarter of FY 2026 Operating results.**

| Unit: Baht million | 1st quarter FY 2026 | | 1st quarter FY 2025 | | 4th quarter FY 2025 | | % Change (YoY) | % Change (QoQ) |
|---|---|---|---|---|---|---|---|---|
| Revenue from sales and services | 1,179.3 | 100% | 1,344.1 | 100% | 1,239.1 | 100% | -12.3% | -4.8% |
| Gross profit | 71.5 | 6.1% | 143.0 | 10.6% | 81.1 | 6.5% | -50.0% | -11.8% |
| Net profit | 299.9 | 25.4% | 375.8 | 28.0% | -49.2 | -4.0% | -20.2% | -709.8% |
| Earning per share (Baht) | 15.15 | | 18.98 | | -2.48 | | | |

### Revenue from sales of goods and rendering services

Revenue from sales of goods and rendering services for the second quarter of 2026 was 1,179.3 million baht, a decrease of 164.8 million baht or -12.3% compared to the same quarter of last year, primarily due to lower refrigerator sales across all markets.

Revenue from sales of goods and rendering services for the second quarter of 2026 was 1,179.3 million baht, a decrease of 59.8 million baht or -4.8% compared to the 1st quarter of 2026, mainly driven by lower sales of refrigerators in the Japanese market, as well as electric fans in Japan and overseas markets.

### Gross profit margin

Gross profit for the second quarter of 2026 was 71.5 million baht, a decrease of 71.5 million baht or -50.0% compared to the same quarter of last year, resulting from lower sales value year-on-year, and a decrease of 9.6 million baht or -11.8% compared to the 1st quarter of 2026.

### Net Profit

Net profit for the second quarter of 2026 was 299.9 million baht, a decrease of 75.9 million baht compared to the same quarter of last year, mainly because gross profit decreased by 71.5 million baht. Selling and administrative expenses decreased by 0.9 million baht, primarily due to a reduction in royalty fees by 1.3 million baht and lower development fees by 12.5 million baht, despite higher finished goods storage service fees by 6.0 million baht and an increase in export charges by 7.4 million baht. Additionally, investment income decreased by 16.2 million baht, while foreign exchange gains increased by 6.5 million baht.

Net profit for the second quarter of 2026 was 299.9 million baht, an increase of 349.1 million baht compared to the 1st quarter of 2026, primarily driven by dividend income of 362.4 million baht. Selling and administrative expenses increased by 1.7 million baht, mainly due to higher after-sales service expenses by 2.2 million baht and an increase in development fees by 3.9 million baht, despite lower export charges by 4.6 million baht and a reduction in royalty fees by 1.7 million baht.

**Highlights of Financial Position**

| Unit: Baht million | Sep 30, 26 | Mar 31, 26 | % Change |
|---|---|---|---|
| Cash and cash equivalents | 284.4 | 235.3 | 20.9% |
| Other current financial assets | 3,460.0 | 3,414.8 | 1.3% |
| Trade accounts receivables and Other receivables | 570.7 | 658.2 | -13.3% |
| Value added tax refundable | 63.5 | 36.9 | 72.1% |
| Dividend receivables | - | 5.3 | -100.0% |
| Inventories | 564.3 | 580.2 | -2.7% |
| Other current assets | 2,001.8 | 1,979.4 | 1.1% |
| Total current assets | 6,944.7 | 6,910.1 | 0.5% |
| Other non-current financial assets | 3,736.3 | 3,382.4 | 10.5% |
| Property, plant and equipment | 960.4 | 1,029.1 | -6.7% |
| Other non-current assets | 72.8 | 94.0 | -22.6% |
| Total non-current assets | 4,769.5 | 4,505.5 | 5.9% |
| **Total assets** | **11,714.2** | **11,415.6** | **2.6%** |
| Trade accounts payables and Other payables | 636.4 | 609.3 | 4.4% |
| Deferred tax liabilities | 670.6 | 596.5 | 12.4% |
| Non-current provisions for employee benefits | 260.8 | 277.4 | -6.0% |
| Other liabilities | 81.0 | 84.0 | -3.6% |
| **Total liabilities** | **1,648.8** | **1,567.2** | **5.2%** |
| **Total equity** | **10,065.4** | **9,848.4** | **2.2%** |
| **Total liabilities and equity** | **11,714.2** | **11,415.6** | **2.6%** |

Total Assets

As of 30 September 2026, the Company's total assets stood at 11,714.2 million baht, an increase of 298.6 million baht or 2.6% compared to 31 March 2026. Key changes in major asset items are as follows:

- Cash and cash equivalents were 284.4 million baht, increasing by 49.1 million baht or 20.9%, resulting from withdrawals of short-term bank deposits.
- Other current assets were 3,460.0 million baht, increasing by 45.2 million baht or 1.3%, mainly due to increased bank deposits.
- Trade accounts receivable and other receivables were 570.7 million baht, decreasing by 87.5 million baht or -25.6%, with trade receivables standing at 534.1 million baht, down 82.4 million baht compared to 31 March 2026.
- Other non-current assets were 3,736.3 million baht, increasing by 353.9 million baht or 10.5% compared to 31 March 2026 due to the re-evaluation of the fair value of other investments.

Total liabilities

As of 30 September 2026, the Company had total liabilities of 1,648.8 million baht, an increase of 81.6 million baht or 5.2% compared to 31 March 2026. The significant changes are as below:

- Trade accounts payable and other payables amounted to 636.4 million baht, an increase of 271 million baht or 24.0%.
- Deferred income tax liabilities were 670.6 million baht, an increase of 74.1 million baht or 12.4%.

Shareholders' equity

As of 30 September 2026, the Company shareholders' equity was 10,065.4 million baht, an increase of 217.0 million baht or 2.2% compared to 31 March 2026. The increase was mainly attributable to total comprehensive income of 533.8 million baht. In August 2026, the Company paid dividends totaling 316.8 million baht, or 16.00 baht per share, as approved by the shareholders' meeting on 24 July 2026.

Factors Affecting Future Operations and Risk Management

The Company continues to face risk factors that may impact future operations, as detailed below:

- **Raw Material Cost Risk:** Significant price increases in key raw materials such as copper and aluminum directly impact manufacturing costs.
- **Market and Economic Risk:** Economic recession in Japan continues to affect consumer purchasing power and product demand.
- **Foreign Exchange Risk:** Volatility in the Japanese Yen (JPY) and US Dollar (USD) exchange rates impacts import costs, export expenses, revenue values, and foreign exchange gains or losses.
- **Middle East Conflict Risk:** Ongoing geopolitical uncertainty and volatility in the Middle East affect export expenses and overseas market revenues. Although the situation in the Middle East shows signs of easing, the Company continues to monitor these risk factors that could affect manufacturing and export costs, and remains prepared to implement appropriate mitigation measures.

Sustainability and Greenhouse Gas Emissions

The Company remains committed to conducting business with due consideration for Environmental, Social, and Governance (ESG) principles. This includes investing in clean energy initiatives such as solar rooftop systems to utilize renewable energy in manufacturing consumer products, adopting eco-friendly packaging, and executing various community and stakeholder support programs

This is for your information.

Yours sincerely,

Kobar

Shigeki Kobayashi

President