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Management Discussion and Analysis for the operating results for 3Q2026
Ekarat Engineering Public Company Limited and the subsidiaries

Operational Overview

The Company would like to report on the operating results and significant changes of the Company and its subsidiaries for the third quarter of 2026, ended 30 September 2026, as summarized below:

- **Total Revenue** for 3Q2026 amounted to THB 501.24 million, representing an increase of 35.98% from the same period of the previous year. The increase was primarily attributable to a 60.18% growth in revenue from sales of goods. For the nine-month period, total revenue amounted to THB 1,388.37 million, representing an increase of 1.68% from the same period of the previous year.
- **Gross Profit** for 3Q2026 amounted to THB 185.84 million, representing an increase of 117.05% from the same period of the previous year, with a gross profit margin of 37.43%. For the nine-month period, gross profit amounted to THB 436.22 million, representing an increase of 19.02%, with a gross profit margin of 31.64%.
- **Net profit** for 3Q2026 amounted to THB 68.60 million, representing an increase of 2,830.06% compared with the same period of the previous year, with a net profit margin of 13.69%. For the nine-month period, net profit amounted to THB 128.96 million, representing an increase of 14.05%, with a net profit margin of 9.29%.
- **Total Assets,** as of 30 September 2026 amount to THB 2,405.54 million, representing an increase of 9.92% compared with the end of 2025. The increase was primarily attributable to inventories, which increased by THB 368.19 million, or 50.62%, mainly comprising work in progress, including transformers under production for delivery to customers and several solar power system installation projects under construction. Property, plant and equipment also increased by THB 37.97 million, or 7.70%, primarily due to the construction of a new warehouse and the Chachoengsao Model Service Center, as well as the acquisition of machinery, tools, and equipment.
- **Total Liabilities,** as of 30 September 2026 amount to THB 670.28 million, representing an increase of 37.77% compared with the end of 2025. The increase was mainly attributable to higher short-term loans from financial institutions, primarily obligations under Trust Receipts arising from the importation of raw materials from overseas. Trade payables also increased as a result of the procurement of raw materials from both domestic and overseas suppliers to support transformer production.
- **Shareholders' Equity**, as of 30 September 2026 amounted to THB 1,735.26 million, representing an increase of 1.96% compared with the end of 2025. The increase was primarily attributable to the net profit generated from the Company’s operations during 3Q2026, resulting in a slight increase in shareholders’ equity.

Statement of Comprehensive Income	Quarter 3			9-Month Period		
(Million Baht)	2026	2025	% YoY	2026	2025	% YoY
Revenues	496.45	364.83	36.08%	1,378.61	1,302.40	5.85%
Costs	(310.61)	(279.21)	11.25%	(942.39)	(935.90)	0.69%
Gross Profit	185.84	85.62	117.05%	436.22	366.50	19.02%
Other income	4.78	3.79	26.27%	9.75	63.03	-84.53%
Total revenues	501.23	368.62	35.98%	1,388.36	1,365.43	1.68%
Distribution costs	(59.31)	(36.81)	61.13%	(150.74)	(133.59)	12.83%
Administrative expenses	(39.90)	(39.92)	-0.06%	(124.17)	(132.99)	-6.64%
Profit from operating activities	91.06	13.16	591.77%	173.64	164.34	5.66%
Financial cost	(2.99)	(1.49)	100.92%	(6.83)	(5.29)	29.05%
Reversal of impairment loss	0.62	(3.75)	-116.42%	2.74	(4.04)	-167.79%
Profit before income tax expenses	88.68	7.92	1020.06%	169.55	155.01	9.38%
Tax expenses	(20.08)	(5.58)	260.09%	(40.59)	(41.94)	-3.23%
Net profit	68.60	2.34	2830.06%	128.96	113.07	14.05%

Analyze the performance results in 3Q2026

Revenue:

The Company recorded operating revenue of THB 496.45 million, representing an increase of THB 131.63 million, or 36.08%, compared with the same period in the previous year.

Item	Proportion	Revenues from operation (MB)			Gross Profit Margin	
	3Q2026	3Q2026	3Q2025	YoY%	3Q2026	3Q2025
Sales of goods	90.00%	446.81	278.94	60.18%	38.80%	22.04%
Services and maintenance	7.45%	36.97	44.70	-17.29%	39.79%	45.92%
Service of installing a solar panel	1.44%	7.13	11.06	-35.57%	12.00%	13.66%
Sales of electricity	1.12%	5.54	30.13	-81.60%	17.96%	9.86%
Total revenues from operation	**100%**	**496.45**	**364.83**	**36.08%**	**37.43%**	**23.47%**

- **Revenue from sales of goods** increased by THB 167.88 million, or 60.18%, primarily due to the recognition of revenue from the delivery of transformers to both government-sector and private-sector customers during 3Q2026.
- **Revenue from services and maintenance** decreased by 7.73 million baht or 17.29%, mainly due to a decline in general service revenue as a result of increased market competition.
- **Revenue from service of installing a solar panel** decreased by THB 3.93 million or 35.57%, as revenue recognized in 3Q2026 based on the progress of solar power system installation projects was lower than that of the same period in the previous year.
- **Revenue from sales of electricity** decreased by THB 24.59 million, or 81.60%. This was primarily because, in 3Q2025, the Company recognized revenue from the sale of solar power generation systems to two private-sector customers, whereas no such transactions occurred during 3Q2026.

Costs:

The total costs from operation of the Company were THB 310.61 million, increased by THB 31.41 million or about 11.25% compared to the same quarter of last year.

Item	3Q2026		3Q2025		Variance	
	MB	%	MB	%	MB	%
Sales of goods	273.44	88.03%	217.47	77.89%	55.97	25.74%
Services and maintenance	22.26	7.17%	24.17	8.66%	-1.91	-7.92%
Service of installing a solar panel	6.27	2.02%	9.55	3.42%	-3.28	-34.33%
Sales of electricity	4.55	1.46%	27.16	9.73%	-22.61	-83.25%
Loss on devaluation of goods	4.09	1.32%	0.85	0.30%	3.24	379.71%
Total Costs	**310.61**	**100%**	**279.21**	**100%**	**31.41**	**11.25%**

- **Cost of goods sold** increased by THB 55.97 million, or 25.74%, in line with the increase in revenue from sales of goods. The cost of sales represented 61.20% of revenue from product sales, which was lower than that of the same period of the previous year, reflecting the Company's effective cost management.
- **Cost of services and maintenance** decreased by THB 1.91 million, or 7.92%, mainly due to lower transformer repair costs and subcontracted service costs, in line with the decrease in service volume compared with the same period of the previous year.
- **Cost from service of installing a solar panel** decreased by THB 3.28 million, or 34.33%, reflecting the recognition of costs based on the progress of several customers' solar panel installation projects, which had a lower value than those in the same period of the previous year.
- **Cost of electricity sold** decreased by THB 22.61 million, or 83.25%, as the Company recognized costs of THB 22.29 million from the sale of solar power generation systems to private-sector customers in 3Q2025.

Distribution Costs amounted to THB 59.31 million, an increase of THB 22.50 million, or 61.13%, compared with the same period of the previous year. The increase was mainly attributable to higher expenses related to transformer sales promotion activities.

Administrative Expenses amounted to THB 39.90 million, decreasing by THB 22.22 million, or 0.06%, compared with the same period of the previous year. The decrease was primarily attributable to lower employee-related expenses resulting from a reduction in the number of employees, which led to lower salary and bonus expenses compared with the same period of the previous year.

Financial Costs amounted to THB 2.99 million, an increase of THB 1.50 million, or 100.92%, compared with the same period of the previous year. The increase was primarily attributable to the Company's higher utilization of Trust Receipt facilities for raw material procurement during 3Q2026, resulting in higher interest expenses.

Please be informed accordingly,

Sincerely yours,

(Miss Rompissri Noichaiboon)

Managing Director