Management Discussion and Analysis (MD & A) Q3 Y2026

Demco Public Company Limited



Company Overview

Demco Public Company Limited operates an Engineering, Procurement, and Construction (EPC) business, providing integrated services for power and energy infrastructure projects. Its scope of work covers transmission systems, distribution systems, substation construction, underground power systems, and other related infrastructure works.

The Company also invests in and develops energy projects, particularly in renewable energy such as wind and solar power. In addition, it provides installation and maintenance services for electrical systems to generate recurring long-term revenue. Its key customers include government agencies and large private sector clients, especially projects related to the development and expansion of the national power grid, for which demand continues to grow in line with economic expansion and increasing energy consumption. The Company also has subsidiaries engaged in the manufacturing and distribution of steel structures and poles used in electrical engineering works, as well as a subsidiary that has entered into a state land concession agreement for the Ban Phanom Water Supply Development Project in Luang Prabang, Lao PDR.

The Company's primary revenue is derived from EPC construction projects, with revenue recognized based on the percentage of completion method. Operating performance therefore depends largely on project delivery schedules and the Company's project management capabilities. Meanwhile, the backlog serves as a key indicator reflecting the continuity of future revenue.

Strategically, the Company focuses on enhancing its competitiveness through strengthening engineering capabilities, improving project cost efficiency, and selectively undertaking projects that yield appropriate returns. It also seeks to expand business opportunities in renewable energy and new energy infrastructure to support the energy transition and ensure sustainable long-term growth, under its strategic framework: **Growth+** : **Lean+** : **Opportunity+**.

Furthermore, **the Company has participated in the Jump+** , which aims to enhance organizational capabilities through operational efficiency improvements, fostering innovation, and strengthening long-term competitiveness. Participation in this program supports the Company in adapting to changes in the energy industry while improving its effectiveness in project and resource management.

Key Financial Performance

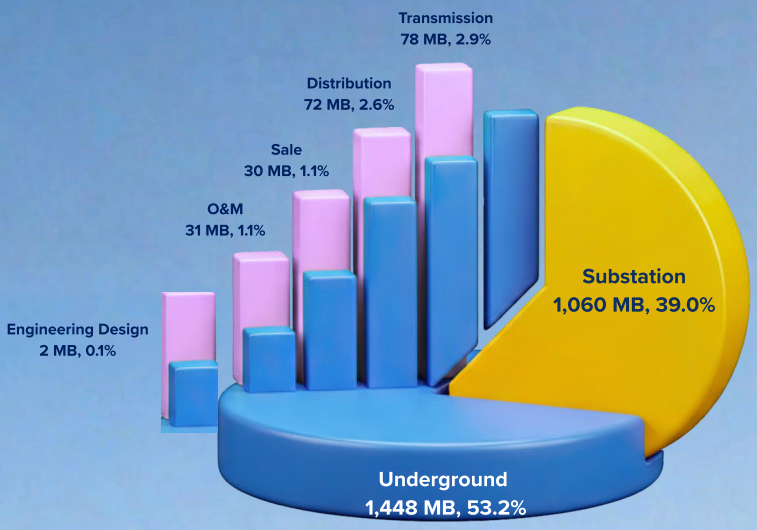
Unit : Million Baht

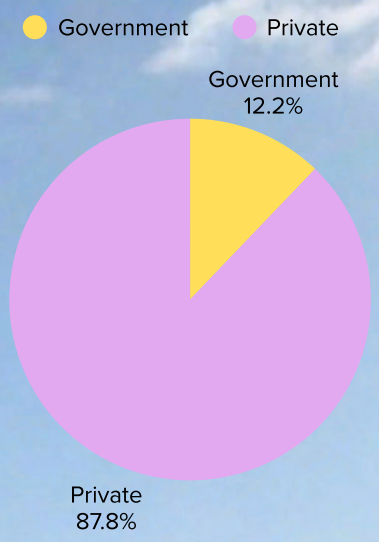
Description	Y2026	Y2025	YoY			Y2026	Y2025	YoY		
	Q3	Q3	Change	%		9M	9M	Change	%	
Total Revenue	698.6	513.1	185.5	36.2%	▲	1,673.0	1,678.8	(5.8)	(0.3%)	▼
Total Cost & Expense	671.5	489.1	182.4	37.3%	▲	1,658.2	1,600.7	57.5	3.6%	▲
Gross Profit	89.2	87.7	1.5	1.7%	▲	179.0	239.9	(60.9)	(25.4%)	▼
Operating Profit (Loss)	27.1	24.0	3.1	12.9%	▲	14.8	78.2	(63.4)	(81.1%)	▼
Net Profit	40.5	18.7	21.8	116.6%	▲	70.7	11.4	59.3	520.2%	▲
Add back: Recognition of late-completion penalty pursuant to the arbitration award	-	-	-	-		82.2	-	82.2	-	
Less: Deferred income tax income	7.1	0.6	6.5	-		(25.8)	(7.9)	(17.9)	-	
*Net Profit (Core Profit)	47.6	19.3	28.3	146.6%	▲	127.1	3.5	123.6	-	▲
EBITDA	72.1	48.8	23.3	47.7%	▲	121.1	90.8	30.3	33.4%	▲
Basic Earnings (Loss) per Share (EPS) - Baht/Share	0.0539	0.0249	0.0290	116.6%	▲	0.0941	0.0152	0.0790	520.2%	▲

** Net Profit (Core Profit) is calculated from net profit per the financial statements, adjusted for non-recurring special items, comprising: (1) Add back the recognition of engineering fees and delay damages pursuant to the arbitration award of THB 82.2 million; and (2) Less deferred income tax income.*

Growth Direction and Future Outlook

The Company currently has a backlog of approximately THB 2,721 million in projects under execution, which is expected to be recognized as revenue progressively through 2028.





Demco Public Company Limited is committed to delivering "quality and sustainable growth." The Company continues to strengthen its core EPC (Engineering, Procurement and Construction) business in electrical engineering, while improving project management efficiency and maintaining strict cost discipline to protect margins and reduce the earnings volatility inherent in large-scale, project-based operations. At the same time, the Company is capturing opportunities from national infrastructure investment and the global energy transition, particularly in transmission systems, substations, renewable energy and new energy technologies, to expand and diversify its revenue base.

In addition, **the Company prioritizes liquidity and cash flow through disciplined working capital management**, close monitoring of project collections and tight control of cost risks, strengthening its financial position for the long term. The Company is also building organizational capabilities by adopting digital tools in project management and upskilling its workforce to handle increasingly complex projects, all within a framework of sound corporate governance and comprehensive risk management.

Under this direction, **the Company selectively pursues opportunities that match its capabilities and offer appropriate risk-adjusted returns**, while building recurring income and maintaining competitiveness in its core business. This strategy is expected to deliver stable growth, create value for all stakeholders and support the Company's vision of becoming a leading integrated energy engineering and infrastructure provider.

Competitive Landscape: The electrical EPC industry continues to grow in line with public- and private-sector investment in infrastructure and energy, particularly power systems and renewable energy. Competition, however, remains intense, with many domestic and international players creating pricing pressure and constraining margins, especially on competitively bid projects. Larger contractors benefit from greater financial strength and experience. The industry also faces volatile material, fuel and labor costs, as well as project execution and cash flow risks. Despite these challenges and ongoing economic uncertainty, the shift toward clean energy and continued infrastructure development offer long-term growth opportunities.

Significant Events and Developments: Demco Public Company Limited and its subsidiaries had the following significant events and developments during the period:

1. Participation in the Jump+ Program: The Company joined the Jump+ program to strengthen its organizational capabilities, focusing on operational efficiency, innovation and long-term competitiveness, in line with its Growth+ : Lean+ : Opportunity+ strategy.

2. Impact of an Arbitral Award: In Q1/2026, the Company recorded engineering fees and delay damages of THB 82.2 million under an arbitral award relating to a substation project. This non-recurring item affected construction service revenue and gross profit for the nine-month period of 2026.

3. Operational Efficiency and Cost Management: Continued improvements in organizational management and cost control reduced selling and administrative expenses for the nine-month period of 2026 by THB 28.0 million, or 12.9% year on year, partly reflecting organizational restructuring and the right-sizing of expenses to the scale and direction of the business.

Solar Investment Projects

Total Capacity

8.503 MW

In Operation (COD)

7.927 MW

Under Construction

0.576 MW

Consolidated Statement of Profit & Loss

The operating results for Q3/2026 are based on the Company's consolidated financial statements for the period ended 30 September 2026. This analysis provides an overview of the Company's operating performance and key events, as well as the market conditions, competitive environment, and key factors affecting the consolidated financial statements, as follows:

Unit : Million Baht

Description	Y2026	Y2025	YoY			Y2026	Y2025	YoY		
	Q3	Q3	Change	%		9M	9M	Change	%	
Revenue										
Revenue from Sales and Services	36.0	36.1	(0.1)	(0.3%)	▼	90.3	191.3	(101.0)	(52.8%)	▼
Revenue from Construction Services	658.9	474.6	184.3	38.8%	▲	1,556.9	1,428.2	128.7	9.0%	▲
Other Revenue	3.7	2.4	1.3	54.2%	▲	25.8	59.3	(33.5)	(56.5%)	▼
Total Revenue	**698.6**	**513.1**	**185.4**	**36.2%**		**1,673.0**	**1,678.8**	**(5.8)**	**(0.3%)**	
Cost & Expense										
Cost from Sales and Services	32.6	24.8	7.8	31.5%	▲	73.1	197.9	(124.8)	(63.1%)	▼
Cost from Construction Services	573.1	398.1	175.0	44.0%	▲	1,395.1	1,181.7	213.4	18.1%	▲
Selling and Administrative Expenses	65.7	64.6	1.1	1.7%	▲	188.5	216.5	(28.0)	(12.9%)	▼
Other Expenses	0.1	1.6	(1.5)	(93.8%)	▼	1.5	4.6	(3.1)	(67.4%)	▼
Total Cost & Expense	**671.5**	**489.1**	**182.4**	**37.3%**		**1,658.2**	**1,600.7**	**57.5**	**3.6%**	
Gross Profit										
GP from Sales and Services	3.4	11.3	(7.9)	(69.9%)	▼	17.2	(6.6)	23.8	360.6%	▲
GP from Construction Services	85.8	76.5	9.3	12.2%	▲	161.8	246.5	(84.7)	(34.4%)	▼
Total Gross Profit	**89.2**	**87.8**	**1.4**	**1.6%**		**179.0**	**239.9**	**(60.9)**	**(25.4%)**	
Other List - Below Operation Profit										
Finance Cost	(11.0)	(15.9)	4.9	30.8%	▼	(35.8)	(46.5)	10.7	(23.0%)	▼
"(Reverse)"of Expected Credit Loss (TFRS 9)	12.0	2.3	9.7	421.7%	▲	56.3	(42.7)	99.0	231.9%	▲
Share of Profit (Loss) from Investments in Associates	19.5	8.9	10.6	119.1%	▲	9.5	14.6	(5.1)	(34.9%)	▼
Profit (Loss) Before Income Tax	**47.6**	**19.3**	**28.3**	**146.6%**		**44.8**	**3.5**	**41.3**	**1,180.0%**	
Income Tax (Expense) Income	(7.1)	(0.6)	(6.5)	-	▼	25.9	7.9	18.0	-	▲
Profit (Loss) After Income Tax	**40.5**	**18.7**	**21.8**	**116.6%**		**70.7**	**11.4**	**59.3**	**520.2%**	

Financial Performance (continued)

Analysis of Operating Results – Consolidated Statement of Profit or Loss (3-Month Period)

Total revenue for Q3/2026 amounted to THB 698.6 million, an increase of THB 185.5 million or 36.2% compared to the same period of the previous year, mainly driven by higher revenue from construction services, while revenue from sales and services remained close to the same period of the previous year.

Revenue from Sales and Services

For Q3/2026, revenue from sales and services amounted to THB 36.0 million, a decrease of THB 0.01 million or 0.04% compared to the same period of the previous year, as higher revenue from sales and services of the Company was offset by lower sales of subsidiaries.

Revenue from Construction Services

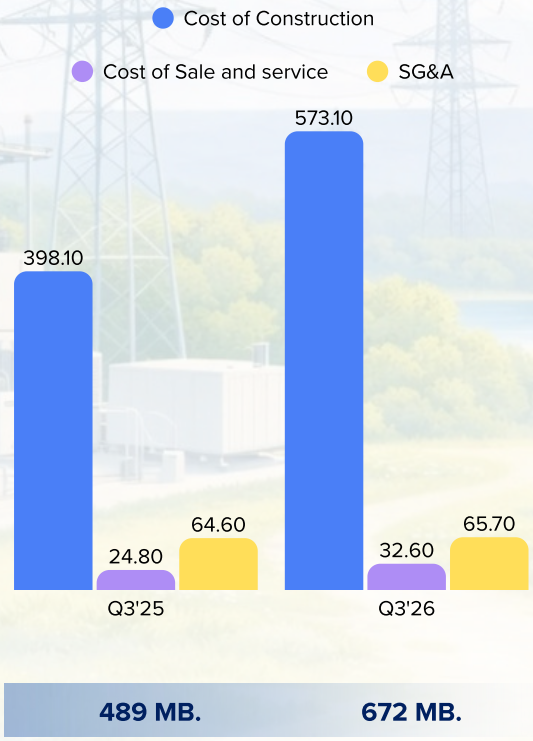
For Q3/2026, revenue from construction services amounted to THB 658.9 million, an increase of THB 184.3 million or 38.8% compared to the same period of the previous year. Key factors were a THB 277.3 million increase in substation construction from large substation projects in the intensive execution phase and a THB 33.9 million increase in underground power system works from new projects beginning revenue recognition, partially offset by decreases of THB 102.0 million in transmission line works and THB 19.2 million in distribution system works, as major projects were in the late stage of execution and gradually being closed out.

Other Revenue

For Q3/2026, other revenue amounted to THB 3.7 million, an increase of THB 1.3 million or 54.2% compared to the same period of the previous year, comprising interest income of THB 1.5 million and other income of THB 2.2 million.



Total Costs and Expenses For Q3/2026, total costs and expenses amounted to THB 671.5 million, an increase of THB 182.4 million or 37.3% compared to the same period of the previous year, mainly due to a THB 175.0 million increase in cost of construction services in line with the expanding substation and underground power system works, and a THB 7.8 million increase in cost of sales and services.



Cost of Sales and Services

For Q3/2026, the cost of sales and services amounted to THB 32.6 million, an increase of THB 7.8 million or 31.5% compared to the same period of the previous year, mainly due to higher cost of sales of the Company in line with higher revenue from sales and services, and higher cost of sales of subsidiaries despite lower sales.

Cost of Construction Services

For Q3/2026, the cost of construction services amounted to THB 573.1 million, an increase of THB 175.0 million or 44.0% compared to the same period of the previous year, mainly due to higher electrical material costs of THB 136.6 million and higher subcontracting costs of THB 107.3 million in line with the accelerated substation construction works.

Selling and Administrative Expenses

For Q3/2026, selling and administrative expenses amounted to THB 65.7 million, an increase of THB 1.1 million or 1.7% compared to the same period of the previous year. The slight increase despite higher construction volume reflects the effects of the organizational restructuring implemented to enhance operational efficiency.

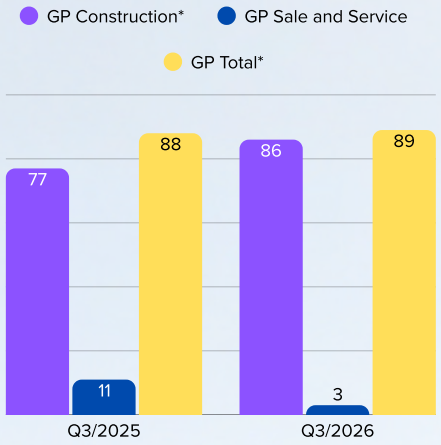
Financial Performance (continued)

Gross Profit

For Q3/2026, gross profit amounted to THB 89.2 million, an increase of THB 1.4 million or 1.6%, with an overall gross profit margin of 12.8%, down from 17.2% in the same period of the previous year, due to lower gross profit margins in both construction services and sales and services.

(Unit : %)

(Unit: %)	Q3 Y2026	Q3 Y2025	Change
%GP from Sales of Goods and Services	9.4	31.3	(21.9)
%GP from Construction Services	13.0	16.1	(3.1)
Total %GP	**12.8**	**17.2**	**(4.4)**



Gross Profit from Sales and Services

For Q3/2026, gross profit from sales and services amounted to THB 3.4 million, a decrease of THB 7.9 million or 69.9% compared to the same period of the previous year, which recorded a gross profit of THB 11.3 million. The gross profit margin was 9.4%, down from 31.3% in the same period of the previous year, mainly due to a lower gross profit margin on product sales of subsidiaries.

Gross Profit from Construction Services

For Q3/2026, gross profit from construction services amounted to THB 85.8 million, an increase of THB 9.3 million or 12.2% compared to the same period of the previous year, with a gross profit margin of 13.0%, down from 16.1% in the same period of the previous year, mainly due to revisions of estimated costs and contract values of distribution system projects nearing completion, partly reflecting higher construction material prices amid the energy crisis and geopolitical tensions, while substation works, which account for the majority of revenue, maintained a gross profit margin of approximately 16.5%.

Finance Costs

For Q3/2026, finance costs amounted to THB 11.0 million, a decrease of THB 4.9 million or 30.8% compared to the same period of the previous year, mainly due to lower bank overdrafts and short-term borrowings from financial institutions. The Company has also been gradually repaying long-term loans in accordance with loan agreements to maintain interest expenses at an appropriate level and strengthen its long-term financial position.

Net Profit

For Q3/2026, the Company reported a net profit of THB 40.5 million, an increase of THB 21.8 million or 116.6% compared to the same period of the previous year, which recorded a net profit of THB 18.7 million. The increase was mainly attributable to the share of profit from investments in associates of THB 19.5 million, up THB 10.6 million in line with the improved performance of the associate engaged in wind power generation; a reversal of Expected Credit Loss (ECL) under TFRS 9 of THB 12.0 million (compared with a reversal of THB 2.3 million in the same period of the previous year); a THB 4.9 million decrease in finance costs; and a THB 1.4 million increase in gross profit. In addition, the Company recorded an income tax expense of THB 7.1 million in this quarter from the partial reversal of deferred tax assets recognized in Q1/2026.

Analysis of Operating Results – Consolidated Statement of Profit or Loss (9-Month Period)

Total revenue for 9M/2026 was THB 1,673.0 million, down THB 5.8 million or 0.3% YoY, as lower revenue from sales and services (THB 101.0 million) and other revenue (THB 33.5 million) was partly offset by higher construction revenue (THB 128.7 million).

Revenue from Sales and Services

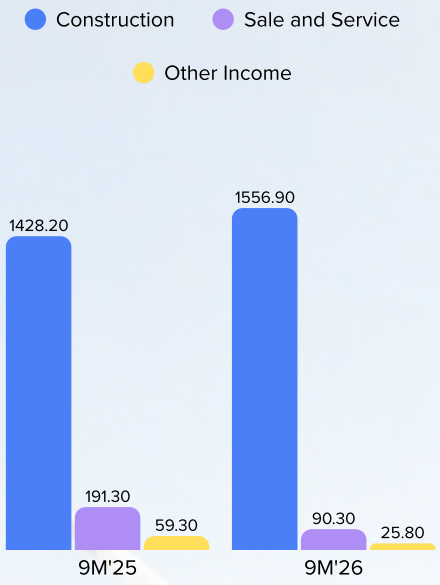
For the nine-month period of 2026, revenue from sales and services amounted to THB 90.3 million, a decrease of THB 101.0 million or 52.8% compared to the same period of the previous year, mainly due to lower revenue from the sale of stack monitoring equipment and steel poles and structures.

Revenue from Construction Services

For the nine-month period of 2026, revenue from construction services amounted to THB 1,556.9 million, an increase of THB 128.7 million or 9.0% compared to the same period of the previous year. This includes engineering fees and delay damages pursuant to the arbitration award of THB 82.2 million, recorded as a deduction from revenue in Q1/2026. Excluding this item, revenue would have been approximately THB 1,639.1 million, an increase of 14.8%, mainly driven by higher substation construction works and a THB 85.8 million increase in underground power system works, partially offset by decreases of THB 221.3 million and THB 121.6 million in transmission line and distribution system works, respectively.

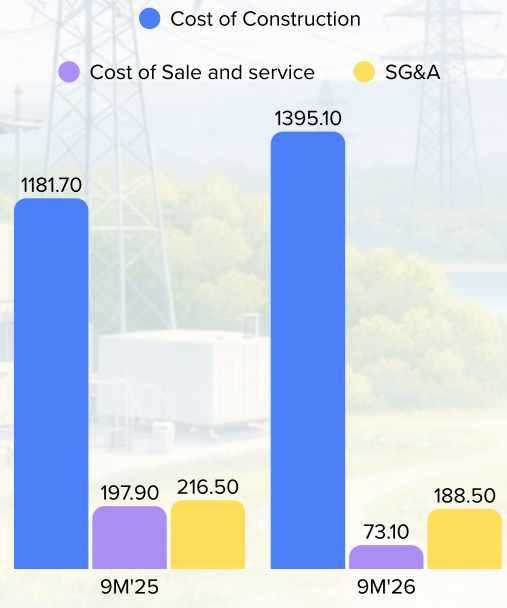
Other Revenue

For the nine-month period of 2026, other revenue amounted to THB 25.8 million, a decrease of THB 33.5 million or 56.5% compared to the same period of the previous year, mainly due to lower dividend income from investments in renewable energy businesses, which decreased to THB 12.6 million (previous year: THB 50.1 million).



1,679 MB.	1,673 MB.

Total Costs and Expenses For the nine-month period of 2026, total costs and expenses amounted to THB 1,658.2 million, an increase of THB 57.5 million or 3.6% compared to the same period of the previous year, mainly due to a THB 213.4 million increase in cost of construction services in line with the expanding construction volume, partially offset by a THB 124.8 million decrease in cost of sales and services in line with lower sales and a THB 28.0 million decrease in selling and administrative expenses.



1,601 MB.	1,658 MB.

Cost of Sales and Services

For the nine-month period of 2026, the cost of sales and services amounted to THB 73.1 million, a decrease of THB 124.8 million or 63.1% compared to the same period of the previous year, mainly due to lower cost of sales of stack monitoring equipment and steel poles and structures in line with lower sales.

Cost of Construction Services

For the nine-month period of 2026, the cost of construction services amounted to THB 1,395.1 million, an increase of THB 213.4 million or 18.1% compared to the same period of the previous year, mainly due to higher subcontracting costs of THB 233.1 million and higher electrical material costs of THB 148.9 million, partially offset by lower construction material and cable costs.

Selling and Administrative Expenses

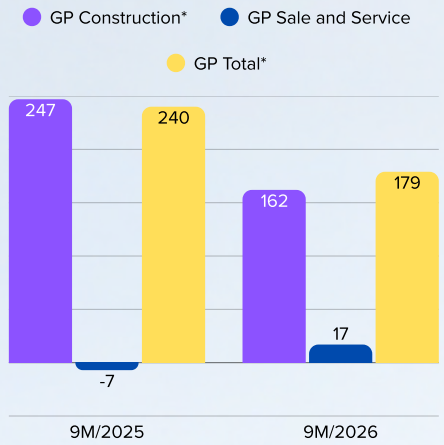
For the nine-month period of 2026, selling and administrative expenses amounted to THB 188.5 million, a decrease of THB 28.0 million or 12.9% compared to the same period of the previous year. The decline was mainly attributable to personnel expenses of a subsidiary, which was a one-time item incurred during the organizational restructuring in Q2/2025, together with the effects of the organizational restructuring implemented to enhance operational efficiency, resulting in a personnel cost structure and other expenses that are more appropriate and better aligned with the scale of the business.

Financial Performance (continued)

Gross Profit

For the nine-month period of 2026, gross profit amounted to THB 179.0 million, a decrease of THB 60.9 million or 25.4%, with an overall gross profit margin of 10.9%, down from 14.8% in the same period of the previous year, mainly due to the recognition of engineering fees and delay damages pursuant to the arbitration award in construction services. Excluding this item, gross profit would have been THB 261.2 million, representing a gross profit margin of 15.1%.

(Unit: %)	9M Y2026	9M Y2025	Change
%GP from Sales of Goods and Services	19.0	(3.5)	22.5
%GP from Construction Services	10.4	17.3	(6.9)
Total %GP	**10.9**	**14.8**	**(3.9)**
%GP from Construction Services *	14.9*	17.3	(2.4)
Total %GP*	**15.1***	**14.8**	**0.3**



*Excluding the recognition of engineering fees and delay damages pursuant to the arbitration award of THB 82.2 million, which is a non-recurring special item.

Gross Profit from Sales and Services

For the nine-month period of 2026, gross profit from sales and services amounted to THB 17.2 million, an improvement of THB 23.8 million compared to the same period of the previous year, which recorded a gross loss of THB 6.6 million. The gross profit margin was 19.0%, compared with a gross loss margin of 3.5% in the same period of the previous year, mainly due to a decline in sales of stack monitoring equipment, which carried a low margin.

Gross Profit from Construction Services

For the nine-month period of 2026, gross profit from construction services amounted to THB 161.8 million, a decrease of THB 84.7 million or 34.4% compared to the same period of the previous year, with a gross profit margin of 10.4%, down from 17.3%. This was primarily the result of the recognition of engineering fees and delay damages pursuant to the arbitration award of THB 82.2 million on a substation project in Q1/2026, which is a one-time item. Excluding this item, gross profit would have been approximately THB 244.0 million, a decrease of 1.0%, with a gross profit margin of approximately 14.9%. Substation works, which account for the majority of revenue, achieved a gross profit margin of approximately 16.9% (excluding this item), while transmission line and distribution system works had cost estimate revisions in the late stage of the projects.

Finance Costs

For the nine-month period of 2026, finance costs amounted to THB 35.8 million, a decrease of THB 10.7 million or 23.0% compared to the same period of the previous year, mainly due to lower bank overdrafts and short-term borrowings from financial institutions. The Company has also been gradually repaying long-term loans in accordance with loan agreements to maintain interest expenses at an appropriate level and strengthen its long-term financial position.

Net Profit

For the nine-month period of 2026, the Company reported a net profit of THB 70.7 million, an improvement of THB 59.3 million or 520.2% compared to the same period of the previous year, which recorded a net profit of THB 11.4 million. The improvement was mainly supported by a reversal of Expected Credit Loss (ECL) under TFRS 9 of THB 56.3 million (compared with a loss of THB 42.7 million recognized in the same period of the prior year), following the recovery of trade receivables for which ECL provisions had previously been recognized, and the recognition of net deferred income tax income of THB 25.9 million, while gross profit was impacted by the recognition of engineering fees and delay damages pursuant to the arbitration award of THB 82.2 million in Q1/2026.

Consolidated Statement of Financial Position

As at 30 September 2026, the Company maintained a sound financial position with total assets of THB 5,981.6 million and total shareholders' equity of THB 3,689.6 million.

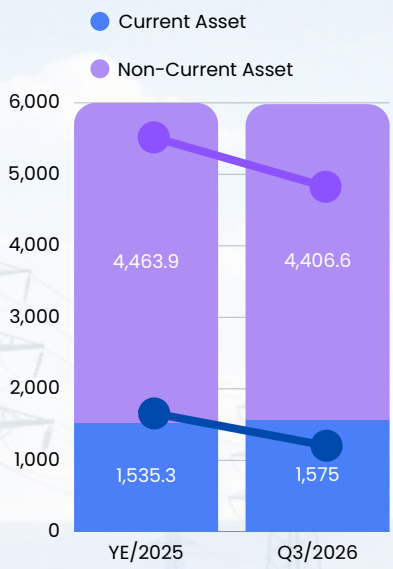
Unit : Million Baht

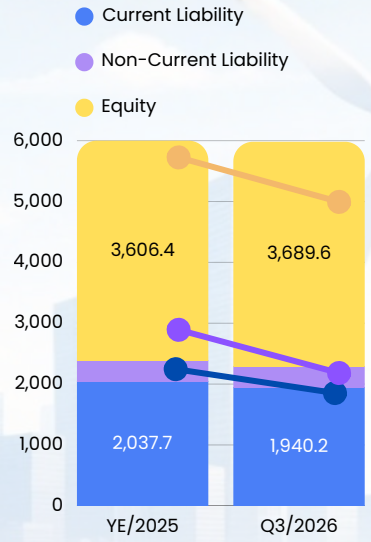
Description	Q3 Y2026	Y2025	Change	%Change
Assets				
Trade and Other Current Receivables	514.8	865.5	(350.7)	(40.5%)
Current Contract Assets	809.1	402.3	406.7	101.1%
Inventory	181.5	151.1	30.4	20.2%
Other Current Assets	69.6	116.4	(46.8)	(40.2%)
Total Current Assets	**1,575.0**	**1,535.3**	**39.7**	**2.6%**
Non-Current Financial Assets	2,213.0	2,196.6	16.3	0.7%
Investment in Associates	1,342.0	1,391.8	(49.8)	(3.6%)
Intangible Assets	295.8	298.8	(3.0)	(1.0%)
Other Non-Current Assets	555.8	576.7	(20.9)	(3.6%)
Total Non-Current Assets	**4,406.6**	**4,463.9**	**(57.3)**	**(1.3%)**
Total Assets	**5,981.6**	**5,992.2**	**(17.6)**	**(0.3%)**
Liabilities				
Short-Term Borrowings and Overdrafts	722.4	1,011.4	(289.0)	(28.6%)
Trade and Other Current Payables	787.6	573.9	213.6	37.2%
Current Contract Liabilities	329.4	333.6	(4.2)	(1.2%)
Other Current Liabilities	100.8	118.8	(17.9)	(15.1%)
Total Current Liabilities	**1,940.2**	**2,037.7**	**(97.5)**	**(4.8%)**
Long-Term Loan	54.4	62.3	(7.9)	(12.7%)
Other Non-Current Liabilities	297.4	292.8	4.6	1.6%
Total Non-Current Liabilities	**351.8**	**355.1**	**(3.3)**	**(0.9%)**
Total Liabilities	**2,292.0**	**2,392.8**	**(100.8)**	**(4.2%)**

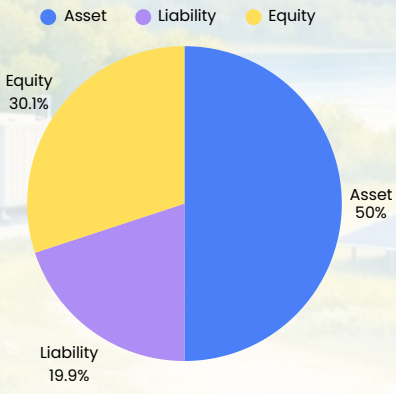
Financial Performance (continued)

Unit : Million Baht

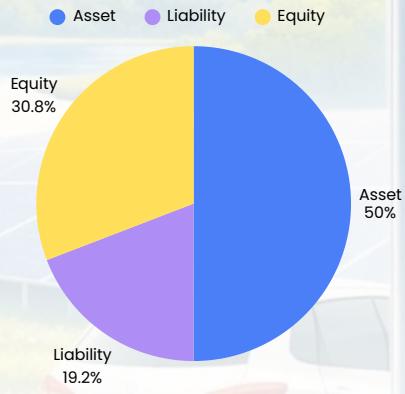
Description	Q3 Y2026	Y2025	Change	%Change
Equity				
Common Shares	753.8	751.0	2.8	0.4%
Share Premium	2,134.6	2,137.5	(2.9)	(0.1%)
Retained Earnings (Accumulated Losses)	(154.3)	(225.0)	70.7	31.4%
Other Components of Shareholders' Equity	955.5	942.4	13.2	1.4%
Non-controlling Interests (NCI)	-	0.5	(0.5)	(100.0%)
Total Equity	**3,689.6**	**3,606.4**	**83.2**	**2.3%**







YE/2025



Q3/2026

Analysis of Operating Results – Consolidated Statement of Financial Position

Total Assets As at 30 September 2026, total assets amounted to THB 5,981.6 million, a decrease of THB 17.6 million or 0.3% compared to year-end 2025, mainly due to:

•Current assets increased by THB 39.7 million or 2.6%, mainly due to an increase in current contract assets of THB 406.7 million, reflecting construction service work performed but not yet billable under the contracts, and an increase in inventories of THB 30.4 million, netted against a decrease in trade and other current receivables of THB 350.7 million following collections from customers and a decrease in other current assets of THB 46.8 million.

•Non-current assets decreased by THB 57.3 million or 1.3%, mainly due to a decrease in investments in associates under the equity method of THB 49.8 million, from dividends received from associates of THB 59.9 million, net of the share of profit for the period of THB 10.1 million, a decrease in other non-current assets of THB 20.9 million and a decrease in intangible assets of THB 3.0 million, netted against an increase in non-current financial assets of THB 16.3 million from the fair value revaluation of equity investments.

Total Liabilities As at 30 September 2026, total liabilities amounted to THB 2,292.0 million, a decrease of THB 100.8 million or 4.2% compared to year-end 2025, mainly due to:

•Current liabilities decreased by THB 97.5 million or 4.8%, mainly due to a decrease in bank overdrafts and short-term borrowings from financial institutions of THB 289.0 million following repayments, a decrease in other current liabilities of THB 17.9 million and a decrease in current contract liabilities of THB 4.2 million, partially offset by an increase in trade and other current payables of THB 213.6 million in line with the payment cycle to suppliers and construction volume.

•Non-current liabilities decreased by THB 3.3 million or 0.9%, mainly due to scheduled repayments of long-term borrowings of THB 7.9 million, partially offset by an increase in other non-current liabilities of THB 4.6 million.

Shareholders' Equity As at 30 September 2026, shareholders' equity amounted to THB 3,689.6 million, an increase of THB 83.2 million or 2.3% compared to year-end 2025, mainly attributable to a reduction in accumulated losses of THB 70.7 million from the net profit for the period and an increase in other components of equity of THB 13.2 million from the fair value revaluation of equity instruments, partially offset by the acquisition of additional interest in an indirect subsidiary of THB 0.6 million. Paid-up capital increased by THB 2.8 million from the exercise of warrants (subscription monies received in 2025).

Key Financial Ratios

Unit : Million Baht

Description	Q3 Y2026	Q3 Y2025	Change		Analysis
Ratio					
Gross Margin (%)	10.86%	14.81%	▼	(3.95%)	Decrease 43.95%
Net Profit Margin (%)	4.22%	0.68%	▲	3.54%	Increase 3.54%
Return on Asset (ROA) (%)	1.57%	(0.03%)	▲	1.60%	Increase 1.60%
Return on Equity (ROE) (%)	1.95%	(1.96%)	▲	3.92%	Increase 3.92%
Current Ratio	0.81	0.75	▲	0.06	Improve 0.06
Debt Service Coverage Ratio - DSCR	1.25	1.37	▼	(0.12)	Decline 0.12
Interest Coverage Ratio - ICR	2.25	1.07	▲	1.18	Improve 1.18
Debt-to-Equity (D/E)	0.62	0.67	▲	(0.04)	Improve 0.04

GPM, NPM and ICR are compared with the nine-month period of 2025 I ROA, ROE and DSCR are compared with the 12-month period ended Q3/2025 I Current ratio and D/E are compared with 31 December 2025

- **Analysis of Operating Results – Key Financial Ratios**

(1) Profitability: Net profit for 9M/2026 was THB 70.7 million, compared with THB 11.4 million in 9M/2025 (Q3: THB 40.5 million vs THB 18.7 million). Net profit margin rose from 0.68% to 4.22%. Gross profit margin fell from 14.81% to 10.86% due to engineering fees and delay damages pursuant to the arbitration award of THB 82.2 million; excluding this item, it would have been 15.11%. Trailing 12-month ROA and ROE were 1.57% and 1.95%, compared with (0.03)% and (1.96)%, mainly due to higher net profit from the reversal of ECL under TFRS 9 and the recognition of deferred income tax income.

(2) Capital Structure and Liquidity: Compared with year-end 2025, D/E improved from 0.66 to 0.62 times, as total liabilities decreased by THB 100.8 million, mainly from the repayment of THB 289.0 million in bank overdrafts and short-term borrowings, while shareholders' equity increased by THB 83.2 million from net profit for the period. The current ratio rose from 0.75 to 0.81 times, as current liabilities decreased by THB 97.5 million from the repayment of these short-term borrowings, while current assets increased by THB 39.7 million from higher contract assets.

(3) Debt Servicing Ability: Trailing 12-month DSCR declined from 1.37 to 1.25 times (2.02 times at year-end 2025), as EBITDA fell from THB 124.0 million to THB 97.5 million while debt service fell from THB 90.5 million to THB 78.0 million; excluding the above item, DSCR would have been 2.30 times, and a DSCR above 1.0 times indicates EBITDA remains sufficient to cover debt service. The 9M ICR rose from 1.07 to 2.25 times, as EBIT increased from THB 50.0 million to THB 80.6 million and finance costs fell from THB 46.5 million to THB 35.8 million. Bank overdrafts and short-term borrowings were THB 722.4 million, mostly revolving facilities for construction projects.

Sustainability Highlights Q3/2026

In the third quarter of 2026, DEMCO Public Company Limited continued to advance its sustainability efforts under the DEMCO 3E+ Commitment framework, focusing on strengthening good corporate governance, promoting participation in social and community development, and enhancing social impact assessment to build stakeholder confidence and create shared value with stakeholders over the long term.

AWARDS



DEMCO achieved an "Excellent" rating with a perfect score of 100 points in the 2026 Annual General Meeting (AGM) Checklist Assessment.

This marks the second consecutive year that the Company has achieved a perfect score in the assessment conducted by the Thai Investors Association (TIA), reflecting its commitment to strengthening good corporate governance, protecting shareholders' rights, and ensuring transparency in accordance with good corporate governance principles.



Enhancing the "Lighting Up the Future" Project through the Social Impact Footprint (SIF) Assessment

DEMCO Public Company Limited received a certificate recognizing the implementation of the "Lighting Up the Future" initiative from Mr. Woranat Pientham, Director of Thaipat Institute. This reflects the Company's commitment to enhancing its social responsibility initiatives through systematic social impact assessment, with the aim of creating tangible value and positive impacts for local communities.

ACTIVITIES



The Company, in collaboration with Rajavithi Hospital, organized its 49th Blood Donation Drive on July 15, 2026, to support blood supplies for patients. A total of **38 eligible donors** successfully donated blood, with **16,000 milliliters** of blood collected.



The Company organized a Buddhist Lent Candle Procession at Dao Rueang Temple on July 24, 2026, to encourage employee and community participation in preserving traditional Thai cultural practices and to strengthen relationships with the local community.

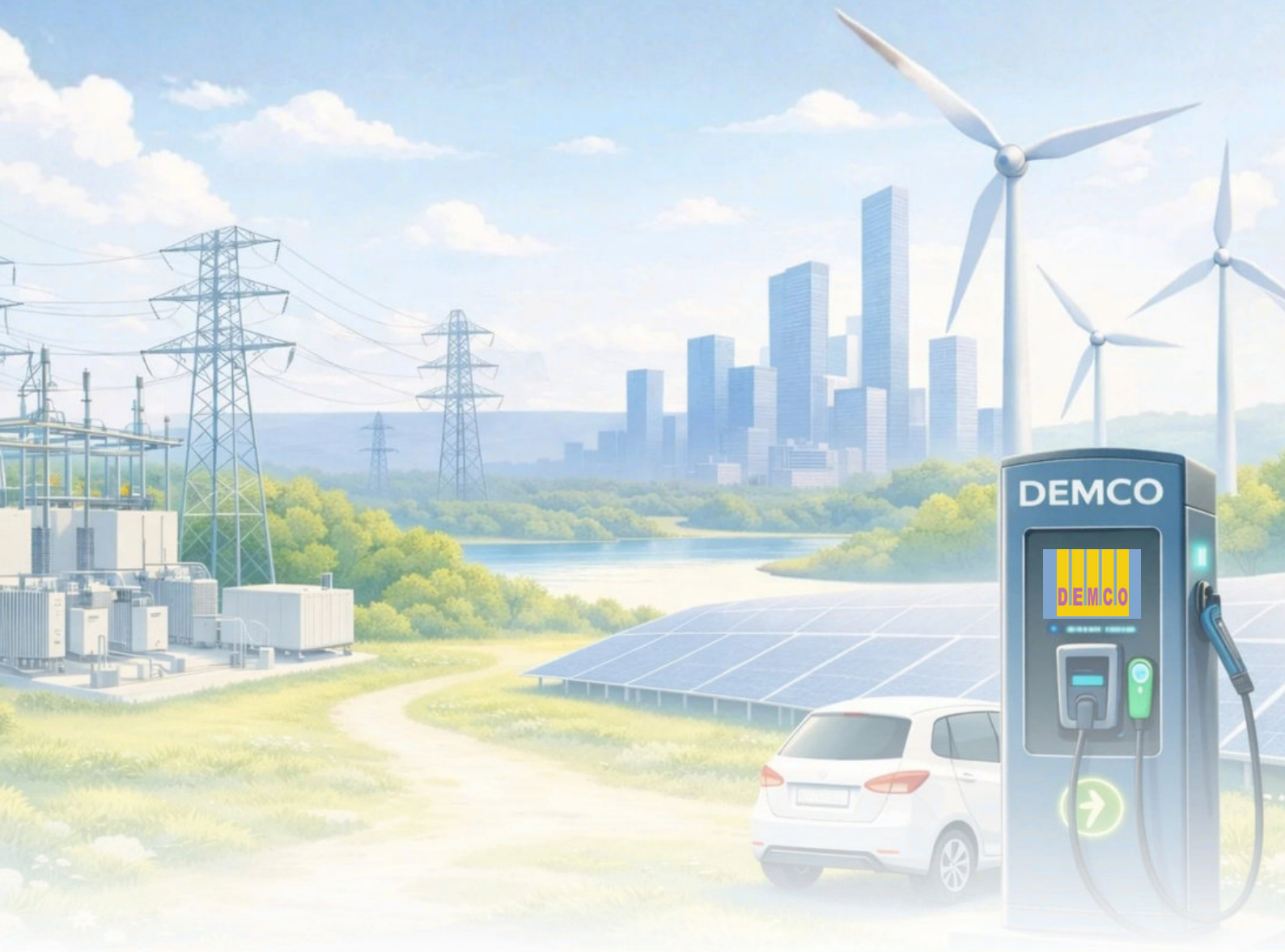


The Company contributed prizes to the Educational Fundraising Ceremony at Ban Mai Sophim School in Lopburi Province on August 14, 2026, to support fundraising efforts and resource mobilization aimed at improving the quality of teaching and learning and expanding educational opportunities for young people.

ESG Business Value Creation

- Enhanced competitiveness
- Improved operational and resource-use efficiency
- Strengthened stakeholder confidence
- Enhanced risk management and preparedness for change
- Created shared value for society and the environment

"Demco - to be the producer and provider for clean energy, electrical systems and utilities with innovation and high technology to create sustainable value"



DEMCO Public Company Limited
59 Moo.1, Suanphrikthai, Muangpathumthani,
Pathumthani 12000