(Translation)

REF: BSM 008/2026

November 11, 2026

Subject: Management Discussion and Analysis of Operation Results for the 3rd Quarter, ending September 30, 2026

To: The President
The Stock Exchange of Thailand

BuilderSmart Public Company Limited ("the Company") would like to clarify the performance of the Company and its subsidiaries for the 3rd Quarter, ending September 30, 2026, as follows:

1) Overview of Business Operations, the Economy and Industry Conditions Affecting Operations

In the third quarter of 2026, the construction materials industry remained relatively stable compared with the second quarter of 2026. Meanwhile, the private residential real estate sector continued to experience a slowdown and faced factors affecting property transactions, including stricter requirements for the approval of retail loans and an economic outlook that had not yet fully recovered. Nevertheless, the Company's construction materials business remained strong and continued to grow. At the same time, the Company adjusted its strategies in line with market conditions to maintain its competitiveness and create new business opportunities.

2) Summary of Significant Events and Developments

Although there were no significant changes in the organizational structure or related-party transactions during the quarter, the Company continued to make progress in its ordinary course of business, as summarized below:

2.1) Factory Space Utilization Improvement

The Group rearranged the production and inventory storage layouts at its factory manufacturing doors, windows and roller insect screens. Under the established plan, unnecessary storage and operating areas were reduced by more than 50% of the total area in order to improve space utilization and reduce fixed costs, such as maintenance and utility expenses. This initiative is expected to reduce fixed costs by approximately 1.5–2.0 million baht per year. The benefits are expected to begin becoming evident in the fourth quarter of 2026, with the full-year benefit expected from 2027 onwards, subject to actual operating performance and expenses incurred.

2.2) Product Development

The Group introduced an MCM (Modified Clay Material) decorative wall-cladding material under the “Magic Stone” brand for both interior and exterior applications. The product is intended to provide customers with additional choices and expand sales opportunities in the building decoration materials segment. This is expected to contribute to revenue in subsequent periods, subject to market acceptance and product delivery.

3.) Summary of Operating Results

3.1) Revenue from Sales and Services

In the third quarter of 2026, the Company and its subsidiaries recorded revenue from sales and services of 99.31 million baht, a decrease of 11.38 million baht or 10.28% compared with the third quarter of the previous year. Gross profit amounted to 30.06 million baht, representing a gross profit margin of 30.27%, down from 34.94% in the third quarter of the previous year. This was because the Company continued to face a slowdown in economic conditions in both the real estate sector and the construction materials business.

Construction Materials Business: This segment comprises BuilderSmart Public Company Limited and Alloy Solutions Asia Co., Ltd.

The Group’s construction materials business recorded total revenue of 80.06 million baht, a decrease of 9.73 million baht or 10.84% compared with the third quarter of the previous year. The decline was attributable to delays and slowdowns in commercial construction projects in both the private and public sectors, due to higher oil prices and construction material costs, as well as the slowdown in the global economy.

Real Estate Business: This segment comprises the Sansara Hua Hin project and TEAK Development Co., Ltd.

The real estate business recorded total revenue of 19.24 million baht, a decrease of 1.65 million baht or 7.90% compared with the third quarter of the previous year, as the real estate business continued to experience a slowdown. The main source of revenue during the quarter was the sale of condominium units at the Sansara Hua Hin project.

For the nine-month period of 2026, the Company recorded revenue from sales and services of 288.63 million baht. Including other income, interest income and net foreign exchange gains, total revenue amounted to 293.78 million baht. Compared with the same period of the previous year, revenue from sales and services decreased by 35.09 million baht or 10.84%, while total revenue decreased by 32.81 million baht or 10.04%. Gross profit for the nine-month period amounted to 94.82 million baht, a decrease of 9.05 million baht from the same period of the previous year.

3.2) Cost of Sales and Services and Selling and Administrative Expenses

Cost of sales and services amounted to 69.25 million baht, representing 69.73% of revenue from sales and services. compared with the third quarter of the previous year, when cost of sales and services amounted to 72.01 million baht, or 65.06% of revenue from sales and services. Consequently, the Company’s gross profit margin for

the third quarter of 2026 was 30.27%, compared with 34.94% in the same quarter of the previous year. However, the Company's selling and administrative expenses decreased to 29.44 million baht from 33.83 million baht in the previous year.

For the nine-month period of 2026, the Company's gross profit margin was 32.85%, a slight increase from 32.08% in the same period of the previous year. Selling and administrative expenses amounted to 94.57 million baht, down from 97.85 million baht in the corresponding nine-month period of the previous year.

3.3) Net Operating Results

The Company recorded a net loss attributable to owners of the parent of 4.39 million baht, compared with a net loss of 2.23 million baht in the third quarter of the previous year.

For the nine-month period of 2026, the Company recorded a net loss attributable to owners of the parent of 17.58 million baht, down from a net loss of 18.80 million baht in the same period of the previous year.

4.) Summary of Financial Position

4.1) Assets and Working Capital Management

The Group reported total assets as of 30 September 2026 of 943.68 million baht, a decrease of 8.40% from 31 December 2025. The significant changes were as follows:

(1) Inventories decreased by 19.36 million baht as a result of managing purchases in line with customer demand and orders.

(2) Net real estate development costs decreased by 28.81 million baht following the sale and transfer of condominium units.

(3) Other current assets decreased by 2.06 million baht due to the refund of performance guarantees and the receipt of goods for which advance deposits had been paid.

In addition, net property, plant and equipment decreased by 6.04 million baht, and net right-of-use assets decreased by 5.13 million baht, with depreciation contributing to these changes. Net intangible assets decreased by 9.42 million baht, mainly due to the reclassification of 5.72 million baht to real estate development costs, with the remaining decrease primarily attributable to amortization.

4.2) Liabilities and Liquidity

As of 30 September 2026, total liabilities amounted to 665.86 million baht, a decrease of 9.50% from the end of 2025. Trade and other current payables decreased by 19.08 million baht, in line with inventory management. Deposits and advances received under lease agreements decreased by 11.56 million baht. Long-term loans from financial institutions and loans from other parties, including related parties, decreased by 23.76 million baht and 9.75 million baht, respectively, as a result of gradual repayments in accordance with the loan terms.

Based on total assets and total liabilities, the Group had total shareholders' equity of approximately 276.87 million baht as of 30 September 2026. The net interest-bearing debt to equity ratio (Net IBD/E Ratio) was 1.21 times, which remained within the debt covenant requirements. Return on Equity (ROE) was -6.15%, and Return on Assets (ROA) was -1.78%.

5.) Factors That May Affect Future Operations or Growth

The Group considers the following factors important to monitor: (1) delays in the commencement or delivery of construction projects, which may affect orders for construction materials; (2) conditions in the real estate market and buyers' access to financing; (3) price competition and volatility in product costs, transportation costs and foreign exchange rates related to product procurement; and (4) the Group's interest burden and liquidity.

To manage these impacts, the Group focuses on improving factory efficiency, controlling expenses, managing inventories in line with customer orders, gradually reducing debt and expanding its customer base. The real estate business will continue to manage its inventory and cash flows prudently. Actual results will depend on market conditions and operating performance.

6.) Conclusion

In the third quarter of 2026, the Group's revenue and gross profit margin decreased compared with the previous year. Although the Group maintained control over expenses, it continued to record a net loss. However, the net loss for the nine-month period decreased from the previous year. The Group remains focused on working capital management, reducing its debt burden and developing its businesses to enhance profitability in the future.

Please be informed accordingly,

Yours sincerely,

Mr. Sunchai Nuengsit

Chief Executive Officer