No. CS69/447

November 13, 2026

Subject: Management Discussion and Analysis of Quarter 3 period ended September 30, 2026

Attention: The Board of directors

The Stock Exchange of Thailand

At the Board of Directors' Meeting No. 7/2026 of ASEFA Public Company Limited, held on 13 November 2026, the Board of Directors resolved to approve the interim financial statements of the Company and its subsidiaries for the three-month and nine-month periods ended 30 September 2026. The Company hereby provides explanations and analysis of the significant changes in its operating results as follows:

1. Business Overview and Operating Performance

The Group recorded higher revenue and profit in both the third quarter and the nine-month period of 2026 compared with the corresponding periods of the previous year. This was primarily attributable to increased revenue recognition from large-scale projects and revenue growth across manufactured and distributed products, products purchased for resale, and services and systems engineering.

- Revenue from sales and services amounted to THB 1,480.42 million in Q3/2026, up 47.50% year-on-year, and THB 4,268.29 million for the nine-month period, up 84.22%.
- Gross profit increased, while gross profit margin declined to 23.15% in Q3/2026 and 22.01% for the nine-month period, mainly due to higher costs of products purchased for resale.
- Profit attributable to owners of the parent amounted to THB 170.77 million in Q3/2026, up 104.18%, and THB 400.50 million for the nine-month period, up 166.82%, supported by higher operating profit and reversals of impairment losses.
- Working capital requirements increased in line with business expansion, particularly trade receivables, contract assets and inventories. The Group therefore continues to prioritize project delivery, billing and financing management.

2. Significant Events and Developments During the Period

During the first nine months of 2026, the Group recognized revenue from a higher volume of projects, requiring increased procurement of products and raw materials and additional working capital to support production and project delivery.

Employee-related expenses and depreciation of the new office building also increased to support organizational expansion. The impact is discussed in the operating performance analysis below.

3. Analysis of Operating Results

3.1 Summary of Operating Results for Q3 and the Nine-Month Period

(Unit: Million Baht)

Consolidated Financial Statement	Q3'2026	Q3'2025	Change Increased / (Decreased)		9-Month 2026	9-Month 2025	Change Increased / (Decreased)	
			Amount	%			Amount	%
Revenue for sale and services	1,480.42	1,003.70	476.72	47.50	4,268.29	2,316.93	1,951.36	84.22
Cost of sales and services	(1,137.66)	(750.38)	387.28	51.61	(3,328.74)	(1,761.45)	1,567.29	88.98
Gross profit	**342.76**	**253.32**	**89.44**	**35.30**	**939.55**	**555.47**	**384.08**	**69.14**
Gross Profit Margin (%)	**23.15%**	**25.24%**			**22.01%**	**23.97%**		
Other income	22.06	32.89	(10.82)	(32.91)	60.77	58.20	2.58	4.43
Profit before expenses	**364.82**	**286.21**	**78.61**	**27.47**	**1,000.32**	**613.67**	**386.65**	**63.01**
Distribution Costs	(88.75)	(84.96)	3.79	4.47	(259.43)	(219.71)	39.72	18.08
Administrative expenses	(71.67)	(72.29)	(0.62)	(0.86)	(221.20)	(174.67)	46.53	26.64
Total Expenses	**(160.42)**	**(157.25)**	**3.17**	**2.02**	**(480.62)**	**(394.38)**	**86.25**	**21.87**
Profit (loss) from operating activities	**204.40**	**128.96**	**75.44**	**58.50**	**519.69**	**219.30**	**300.40**	**136.98**
Finance costs	(8.79)	(8.78)	0.01	0.06	(23.99)	(17.70)	6.29	35.53
Reversal of Gain (Loss) on Impairment	37.51	(13.06)	50.57	387.25	17.53	(7.96)	25.49	320.29
Share of profit (loss) of associates accounted for using the equity method	(0.03)	(0.41)	(0.38)	(91.78)	0.09	(2.14)	2.24	104.38
Profit (loss) before income tax	**233.09**	**106.70**	**126.39**	**118.45**	**513.33**	**191.50**	**321.83**	**168.06**
Income tax revenues (expenses)	(43.59)	(21.79)	21.80	100.03	(99.39)	(40.91)	58.48	142.96
Profit for the period	**189.50**	**84.91**	**104.59**	**123.18**	**413.94**	**150.59**	**263.35**	**174.88**
Other comprehensive income for the period, net of tax	**-**	**(5.37)**	**5.37**	**100.00**	**-**	**(1.43)**	**1.43**	**100.00**
Total comprehensive income for the period	**189.50**	**79.54**	**109.96**	**138.26**	**413.94**	**149.16**	**264.78**	**177.52**
Net profit (loss) attributable to - Equity holders of the Company	**170.77**	**83.64**	**87.13**	**104.18**	**400.50**	**150.10**	**250.40**	**166.82**
Net Profit Margin (%)	**11.37%**	**8.07%**			**9.25%**	**6.31%**		
Earnings per share (Baht)	**0.33**	**0.16**	**0.17**	**106.25**	**0.77**	**0.29**	**0.48**	**165.51**

3.2 Revenue from Sales and Services

In Q3/2026, revenue from sales and services totaled THB 1,480.42 million, an increase of THB 476.72 million or 47.50% from the same period last year. Revenue increased across all business segments, as follows:

Business segment	Year-on-year revenue increase (THB million)
Products manufactured and distributed by the Group	168.73
Products purchased for resale	191.85
Services and systems engineering	116.14
Total	**476.72**

The increase was mainly attributable to higher revenue recognition from large-scale projects.

For the nine-month period, revenue from sales and services totaled THB 4,268.29 million, an increase of THB 1,951.36 million or 84.22%. Revenue from manufactured and distributed products increased by THB 962.34 million, products purchased for resale by THB 714.31 million, and services and systems engineering by THB 274.70 million.

3.3 Gross Profit and Gross Profit Margin

In Q3/2026, gross profit was THB 342.76 million, up THB 89.44 million or 35.30% in line with revenue growth. However, gross profit margin decreased from 25.24% to 23.15%, a decline of 2.09%. For the nine-month period, gross profit was THB 939.55 million, up 69.14%, while gross profit margin declined from 23.97% to 22.01%, a decrease of 1.96%.

The margin contraction in both periods was primarily due to higher costs of products purchased for resale, causing gross profit to grow more slowly than revenue.

The Group continues to focus on procurement cost management, selling prices and product mix to maintain profitability amid competition and cost fluctuations.

3.4 Distribution and Administrative Expenses

Distribution costs in Q3/2026 were THB 88.75 million, an increase of THB 3.79 million or 4.47%, and totaled THB 259.43 million for the nine-month period, an increase of THB 39.72 million or 18.08%. The increases were mainly attributable to personnel expenses to support market and business expansion.

Administrative expenses were THB 71.67 million in Q3/2026, down THB 0.62 million or 0.86%, while nine-month administrative expenses increased by THB 46.53 million or 26.64% to THB 221.20 million, mainly due to personnel expenses and depreciation of the new office building.

Overall, distribution and administrative expenses increased at a slower rate than revenue, supporting higher operating profit.

3.5 Finance Costs

Finance costs in Q3/2026 were THB 8.79 million, broadly unchanged from THB 8.78 million in the same period last year. For the nine-month period, finance costs were THB 23.99 million, up THB 6.29 million or 35.53%, consistent with increased borrowing to support working capital requirements and business expansion.

3.6 Reversal of Impairment Losses

In Q3/2026, the Group recognized a reversal of impairment losses of THB 37.51 million, compared with impairment losses of THB 13.06 million in the corresponding period last year, improving profit before tax by THB 50.57 million year-on-year.

For the nine-month period, the Group recognized a net reversal of impairment losses of THB 17.53 million, compared with impairment losses of THB 7.96 million last year, improving profit before tax by THB 25.49 million.

These items contributed to profit in addition to changes in revenue, gross profit and operating expenses.

3.7 Net Profit

In Q3/2026, the Group reported profit for the period of THB 189.50 million, including THB 170.77 million attributable to owners of the parent, an increase of THB 87.13 million or 104.18% year-on-year. Basic earnings per share were THB 0.33, compared with THB 0.16 in the prior year.

For the nine-month period, profit for the period was THB 413.94 million, including THB 400.50 million attributable to owners of the parent, an increase of THB 250.40 million or 166.82%. Basic earnings per share were THB 0.77, compared with THB 0.29 in the prior year.

Profit growth was driven mainly by higher revenue and gross profit, slower growth in distribution and administrative expenses relative to revenue, and reversals of impairment losses, notwithstanding lower gross profit margins and higher nine-month finance costs.

4. Financial Position and Liquidity

4.1 Summary of Financial Position

Consolidated financial statements

(Unit: Million Baht)

Consolidated Financial Statement	As at Sep 30, 2026	As at Dec 31, 2025	Change Increased / (Decreased)	
			Amount	%
Current assets	3,114.93	2,362.21	752.72	31.87%
Non – current assets	2,090.96	2,080.46	10.50	0.50%
Total assets	**5,205.89**	**4,442.67**	**763.22**	**17.18%**
Liabilities	2,893.19	2,426.74	466.45	19.22%
Shareholders' equity	2,312.70	2,015.93	296.77	14.72%
Total Liabilities and shareholders' equity	**5,205.89**	**4,442.67**	**763.22**	**17.18%**

4.2 Assets and Working Capital

As of September 30, 2026, total assets were THB 5,205.89 million, an increase of THB 763.22 million or 17.18% from year-end 2025, mainly due to higher current assets supporting business expansion. Key movements included:

- Trade and other current receivables increased by THB 262.87 million in line with revenue growth.
- Current contract assets increased by THB 527.53 million for project revenue recognized before contractual billing milestones were reached.
- Inventories increased by THB 81.59 million, reflecting goods and work in progress awaiting delivery.
- Restricted deposits with financial institutions increased by THB 109.30 million to secure advance payments received.
- Cash and cash equivalents decreased by THB 203.27 million, mainly due to payments for products and raw materials falling due during the period.

The increase in receivables and contract assets raised working capital requirements. The Group therefore continues to monitor project progress, delivery and acceptance, invoicing under contractual terms, and collections from customers.

4.3 Liabilities and Sources of Financing

As of September 30, 2026, total liabilities were THB 2,893.19 million, an increase of THB 466.45 million or 19.22% from year-end 2025.

- Key increases comprised bank overdrafts and short-term borrowings of THB 58.05 million
- long-term borrowings of THB 148.33 million
- trade and other current payables of THB 339.40 million arising from procurement for production and project delivery.

The total liabilities-to-equity ratio increased from 1.20 times at year-end 2025 to 1.25 times as of September 30, 2026, reflecting financing requirements for operations and expansion.

4.4 Equity

Total equity as of September 30, 2026 was THB 2,312.70 million, an increase of THB 296.77 million or 14.72% from year-end 2025.

The principal movements comprised profit for the period of THB 413.94 million and proceeds from the sale of treasury shares of THB 63.75 million, offset by dividend payments of THB 180.91 million. Further details are presented in the consolidated statement of changes in equity.

4.5 Cash Flows and Liquidity Adequacy

Summary of cash flows for the nine-month period ended September 30, 2026

(Unit: Million Baht)

Item	9M 2026	9M 2025
Net cash from / (used in) operating activities	(168.64)	351.16
Net cash from / (used in) investing activities	(111.36)	(203.89)
Net cash from / (used in) financing activities	76.73	(72.02)
Cash and cash equivalents at end of period	282.04	347.38

For the nine-month period ended September 30, 2026, the Company reported net cash used in operating activities of Baht 168.64 million, compared with net cash provided by operating activities of Baht 351.16 million in the corresponding period of the previous year. This was primarily attributable to an increase in trade receivables and contract assets resulting from business expansion. Meanwhile, net cash used in investing activities amounted to Baht 111.36 million, while net cash provided by financing activities amounted to Baht 76.73 million. As a result, as of September 30, 2026, the Company had cash and cash equivalents of Baht 282.04 million, representing a decrease of Baht 203.27 million from the beginning of the year.

5. Factors That May Affect Future Operations

The Group has an order backlog that has not yet been recognized as revenue, which supports future business operations. Revenue recognition depends on project progress, delivery and the terms of individual contracts. The Group focuses on the following areas:

Project execution and delivery

Monitoring procurement, production and delivery schedules against project requirements, as delays may affect revenue recognition, billing and operating costs.

Maintaining profitability

Managing product and raw material costs, selling prices and product mix, taking into account cost pressures and competition that may affect margins across business segments.

Working capital management and collections

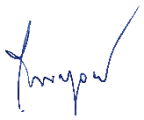
Monitoring billing in line with project milestones and contractual terms, customer collections and inventory levels to align funding needs with business growth.

Debt and finance cost management

Planning borrowings and repayments in line with project cash flows and monitoring finance costs and financing terms.

For your information.

Yours sincerely,



Mr. Phaiboon Ungkanakornkul
Chief Executive Officer