9 November 2026 Alla Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

Business Performance Overview

During the first nine months of 2026, the Group continued to operate amid economic conditions pressured by external factors. As a result, customers in the industrial sector remained cautious in allocating budgets, with many revising project plans and postponing implementation schedules to preserve financial liquidity. These factors directly affected the recognition of project revenue during the current period. Nevertheless, the Group's backlog at the end of the third quarter of 2026 increased to THB 428 million, representing a 73% increase from the end of the previous year. This reflects customers' continued confidence in the Group's products, which remain key components in industrial projects. The backlog is expected to be gradually recognized as revenue in subsequent periods as the postponed projects progress according to their revised schedules.

In addition, the Group continued to achieve growth in its strategic target businesses, particularly its clean energy solutions (Solar Solutions), driven by increasing demand from businesses seeking to optimize energy costs. At the same time, revenue from after-sales services continued to grow, strengthening the proportion of recurring income and enhancing the stability of the Group's revenue base.

In terms of operating performance, net profit declined compared with the same period of the previous year. The primary reasons were the slowdown in project revenue recognition and a lower gross profit margin resulting from higher raw material and production costs, together with intensified price competition within the industry. In response, the Group adopted a prudent pricing strategy to maintain its customer base and market share. Despite these challenges, through effective cost management, the Group successfully maintained an overall gross profit margin of 30% for the first nine months of the year. During the period, the Group also commenced its organizational development initiative under the Stock Exchange of Thailand's Jump+ Program by appointing experienced consultants to establish a solid foundation for long-term sustainable growth.

As of the end of the third quarter of 2026, the Group maintained a strong financial position, supported by high liquidity and a low debt-to-equity ratio. This reflects the Group's robust capital structure and its readiness to support the execution of new projects and future business expansion as economic conditions gradually improve.

Consolidated Financial Performance for the third quarter and the nine-month period of 2026

Operating Income						
(Thousand Baht)	For the three-month periods			For the nine-month periods		
	3Q 2026	3Q 2025	%Chg.	9M 2026	9M 2025	%Chg.
Revenues from contracts with customers	161,752	183,749	(12%)	438,815	522,224	(16%)
Other income	745	248	200%	1,350	772	75%
Total Operating Income	162,497	183,997	(12%)	440,165	522,996	(16%)

Revenues structure						
	9M 2026		9M 2025		Change	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from sales and services						
Crane and Electric Hoist	105,108	24%	223,182	43%	(118,074)	(53%)
Loading Dock and Equipment	62,657	14%	79,562	15%	(16,905)	(21%)
Warehouse system and Equipment	1,054	0%	2,151	0%	(1,097)	(51%)
Solar cell system	69,117	16%	42,131	8%	26,986	64%
EV Charging Station	-	0%	171	0%	(171)	(100%)
Total revenue from sales and services	**237,936**	**54%**	**347,197**	**66%**	**(109,261)**	**(31%)**
Revenue from after-sales service						
Crane and Electric Hoist	153,233	35%	136,206	26%	17,027	13%
Loading Dock and Equipment	46,606	11%	38,137	8%	8,469	22%
Solar cell system	80	0%	-	0%	80	100%
Training center	960	0%	684	0%	276	40%
Total revenue from after-sales service	**200,879**	**46%**	**175,027**	**34%**	**25,852**	**15%**
Other income	**1,350**	**0%**	**772**	**0%**	**578**	**75%**
Total Operating Income	440,165	100%	522,996	100%	(82,831)	(16%)

Total operating revenue for the Group amounted to THB 162 million in the third quarter of 2026, representing a decrease of THB 22 million, or 12%, compared with the same period of the previous year. For the first nine months of 2026, total operating revenue amounted to THB 440 million, a decrease of THB 83 million, or 16%, from the corresponding period of the previous year. The changes in revenue by business segment are summarized as follows:

1. **Material Handling System:** Revenue decreased compared with the same period of the previous year, primarily due to customers revising project plans and postponing project implementation in response to prevailing economic conditions. In addition, the timing of revenue recognition for project-based contracts varies depending on individual project delivery schedules. As a result, the recognition of revenue from certain projects has been deferred to subsequent periods.
2. **Clean Energy Solutions:** Revenue from the sale and installation of solar energy systems increased by THB 27 million, or 64%, compared with the same period of the previous year. This growth was primarily driven by increasing demand from both private enterprises and government agencies seeking to reduce electricity costs, as well as the adoption of environmental, social and governance (ESG) initiatives. The performance is in line with the Group's strategy to expand its revenue base from renewable energy businesses.
3. **After-sales Services:** Revenue increased across all service categories, reflecting the Group's strategic initiative to increase the proportion of recurring income. This strategy aims to reduce earnings volatility associated with project-based businesses while creating a more balanced and resilient revenue structure.

Operating Expenses						
(Thousand Baht)	For the three-month periods			For the nine-month periods		
	3Q 2026	3Q 2025	%Chg.	9M 2026	9M 2025	%Chg.
Cost of sales and services	103,045	117,852	(13%)	297,270	340,623	(13%)
Selling expenses	10,238	9,855	4%	29,203	27,902	5%
Administrative expenses	22,504	25,461	(12%)	67,478	73,514	(8%)
Total Operating Expenses	135,787	153,168	(11%)	393,951	442,039	(11%)

Total operating expenses for the Group amounted to THB 136 million in the third quarter of 2026, representing a decrease of THB 17 million, or 11%, compared with the same period of the previous year. For the first nine months of 2026, total operating expenses amounted to THB 394 million, a decrease of THB 48 million, or 11%, from the corresponding period of the previous year.

- Cost of sales and services decreased in line with the slowdown in project activities, consistent with the decline in revenue from contracts with customers.
- Selling expenses increased slightly, mainly due to operational restructuring and the classification of personnel expenses based on the functions and responsibilities of each department.

- Administrative expenses decreased, primarily due to the reversal of allowance for expected credit losses, the classification of personnel expenses based on the functions and responsibilities of each department, and improved efficiency in personnel cost management. The decrease was also attributable to human resources consulting expenses incurred only in the previous period.

Other Items						
(Thousand Baht)	For the three-month periods			For the nine-month periods		
	3Q 2026	3Q 2025	%Chg.	9M 2026	9M 2025	%Chg.
Finance income	615	672	(8%)	1,655	2,282	(27%)
Finance cost	(120)	(163)	(26%)	(394)	(520)	(24%)
Income tax expenses	(5,352)	(6,307)	(15%)	(9,246)	(16,475)	(44%)
Total Other Items	(4,857)	(5,798)	(16)%	(7,985)	(14,713)	(46%)

- Finance income and Finance cost did not change significantly.
- Income tax expenses decreased in line with the operating profits.

Profitability Analysis						
(Thousand Baht)	For the three-month periods			For the nine-month periods		
	3Q 2026	3Q 2025	%Chg.	9M 2026	9M 2025	%Chg.
Gross profit	58,707	65,897	(11%)	141,545	181,601	(22%)
Gross profit margin	36%	36%		32%	35%	
Net profit	21,853	25,031	(13%)	38,229	66,244	(42%)
Net profit margin	13%	14%		9%	13%	
Basic earnings per share (Baht)	0.036	0.042	(14%)	0.064	0.110	(42%)

- Gross profit decreased compared with the same period of the previous year, in line with the slowdown in revenue from project activities. Meanwhile, the gross profit margin for the nine-month period declined, mainly due to higher raw material and production costs, coupled with intensified price competition in the industry. As a result, the Group has carefully adjusted its pricing strategy to maintain its customer base and market share.
- Net profit and net profit margin decreased in line with gross profit, primarily due to the decline in revenue and gross profit margin.

Consolidated Financial Position for the nine-month period of 2026

Financial Position			
(Thousand Baht)	September 2026	December 2025	%Chg.
Total Assets	1,205,679	1,191,837	1%
Total Liabilities	257,061	221,448	16%
Total Shareholders' Equity	948,618	970,389	(2%)

- Total assets increased by THB 14 million, or 1%, with the key movements as follows:
  - Cash and cash equivalents decreased by THB 142 million. The Group generated net cash from operating activities of THB 14 million, while cash was used for investments in fixed deposits of THB 90 million, purchases of property, plant and equipment of THB 6 million, and dividend payments of THB 60 million.
  - Inventories increased by THB 42 million, mainly due to the procurement of raw materials and goods in transit to support production and delivery of the order backlog in accordance with the Group's operational plans.
  - Other current financial assets increased by THB 90 million as a result of the management of excess liquidity through investments in fixed deposits.
  - Other current assets increased by THB 32 million, primarily due to advance payments for imported goods to fulfill customer orders.
- Total liabilities increased by THB 36 million, or 16%, with the key movements as follows:
  - Income tax payable decreased by THB 8 million, in line with the decline in operating performance and profit during the period.
  - Deposits received in advance increased by THB 47 million, consistent with the growth in the order backlog, reflecting the continued receipt of new customer orders.
- Total shareholders' equity decreased by THB 22 million, or 2%. Shareholders' equity increased by THB 38 million from net profit for the period but was reduced by THB 60 million as a result of dividend payments.

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Liquidity and Capital Management

Cash Flows		
(Thousand Baht)	9M 2026	9M 2025
Net cash from operating activities	14,149	131,027
Net cash used in investing activities	(93,388)	(30,157)
Net cash used in financing activities	(62,377)	(98,336)
Net increase (decrease) in cash and cash equivalents	**(141,616)**	**2,534**
Beginning cash and cash equivalents	361,014	316,845
Ending cash and cash equivalents	**219,398**	**319,379**

For the nine-month period of 2026, the Group's cash and cash equivalents decreased by a net amount of THB 142 million. The Group's opening net cash balance was THB 361 million, resulting in a closing net cash balance of THB 219 million. The details of cash flows from each activity are as follows:

- Net cash flows from operating activities amounted to THB 14 million.
- Net cash used in investing activities amounted to THB 93 million, primarily attributable to the investment of excess liquidity in fixed deposits totaling THB 90 million and capital expenditure of THB 6 million for property, plant and equipment.
- Net cash used in financing activities amounted to THB 62 million, mainly due to the dividend payment of THB 60 million made in May 2026.

Ratios Analysis		
	9M 2026	9M 2025
Return on Asset (%)	5.78%	9.15%
Return on Equity (%)	5.75%	8.98%
Current ratio (x)	4.46	5.45
Total debt to equity (x)	0.27	0.22

The return on assets (ROA) and return on equity (ROE) decreased by 3.37 and 3.23 percentage points, respectively, in line with the decline in profit compared with the same period of the previous year.

The current ratio decreased by 0.99 times, while the debt-to-equity ratio increased by 0.05 times, mainly due to an increase in deposits received in advance, consistent with the growth in the order backlog. Nevertheless, the Group continues to focus on maintaining appropriate levels of liquidity and a sound capital structure.