

CWTACC2026/004

14 August 2026

Subject: Management Discussion and Analysis for the Financial Statements of Q2/2026

To: The President

The Stock Exchange of Thailand

Operating Results for the six-month periods ended 30 June 2026 and 2025

	30 June 2026	30 June 2025	Change	
	Million Baht	Million Baht	Million Baht	%
Revenues from sales and services	299.76	346.94	(47.17)	(13.60%)
Gain (loss) on exchange rate	(0.22)	0.65	(0.87)	(133.64%)
Gain on disposal of investment in subsidiary company	-	78.48	(78.48)	(100.00%)
Other income	7.71	9.69	(1.98)	(20.43%)
Total income	307.26	435.76	(128.51)	(29.49%)
Cost of sales and services	265.55	275.33	(9.78)	(3.55%)
Selling expenses	9.03	10.31	(1.28)	(12.41%)
Administrative expenses	54.19	41.25	12.94	31.37%
Total expenses	328.76	326.88	1.88	0.57%
Finance costs	15.47	15.28	0.19	1.26%
Income tax benefit (expense)	0.03	(1.51)	1.54	(102.19%)
Net profit (loss) for the period	(36.94)	92.10	(129.04)	(140.11%)
Profit (loss) attributable to: Equity holders of the Parent	(35.57)	92.19	(127.77)	(138.58%)
Earnings (loss) per share (Baht)	(0.056)	0.146		

The Company hereby reports the operating results of the Company and its subsidiaries for the second quarter of 2026 (accounting period ending 30 June 2026). The Company and its subsidiaries recorded a loss attributable to owners of the parent of Baht 35.57 million, compared to a profit of Baht 92.19 million in the same period of the previous year. The main reasons are as follows:

1. The Company and its subsidiaries recorded total revenue from sales and services of 299.76 million baht, a decrease of 47.17 million baht (or 13.60%) compared to the same period of the previous year. This decline was driven by reduced sales volume in the leather sheet business segment, compounded by intensified price competition. Revenue from the energy segment totaled 129.24 million baht, down from 145.46 million baht in the same quarter of the previous year. Additionally, the Company did not record any gain from the sale of investments in subsidiaries.

2. In the second quarter of 2026, the Company and its subsidiaries recorded costs of sales and services amounting to 265.55 million baht, a decrease of 9.78 million baht (or 3.55%) driven by reductions in raw material and production costs in line with revenue. Selling expenses of 9.03 million baht and administrative expenses of 54.19 million baht increased compared to the previous year, as a subsidiary is currently in the process of constructing a power plant.

3. Financial costs for this quarter amounted to 15.47 million baht, a slight increase from the previous year, due to the subsidiary's increased debt obligations resulting from investments in power plant construction.

Financial position as of 30 June 2026 and 31 December 2025

	Consolidated (Million Baht)		Change	
	30 June 2026	31 December 2025	Million Baht	%
Total Current Assets	574.40	731.20	(156.80)	(21.44%)
Total Non-Current Assets	3,071.97	2,767.59	304.38	11.00%
Total Assets	3,646.37	3,498.78	147.58	4.22%
Total Current Liabilities	898.06	921.78	(23.72)	(2.57%)
Total Non-Current Liabilities	909.69	725.97	183.71	25.31%
Total Liabilities	1,807.74	1,647.75	159.99	9.71%
Total Equity	1,838.62	1,851.03	(12.41)	(0.67%)

As of June 30, 2026, the Company and its subsidiaries had total assets of Baht 3,646.37 million, an increase of Baht 147.58 million (or 4.22%) from the end of 2025. The Group's primary assets consisted of property, plant, and equipment valued at Baht 2,523.80 million, representing 69.21% of total assets. Current assets amounted to Baht 574.40 million, a decrease of Baht 156.80 million from the end of 2025; this was primarily due to a reduction in cash and cash equivalents resulting from their use for investments and operational working capital.

Total liabilities as of 30 June 2026 amounted to 1,807.74 million Baht, an increase of 159.99 million Baht (or 9.71%) from the end of 2025. This increase was primarily driven by the issuance of convertible debentures to support the Group's working capital requirements.

Total owners' equity stood at 1,838.62 million baht, a decrease of 12.41 million baht from the end of 2025, reflecting the net loss for the period.

The Company's financial ratios as of June 30, 2026, and December 31, 2025, show a current ratio of 0.64 times and 0.80 times, respectively, and a debt-to-equity (D/E) ratio of 0.99 times and 0.89 times, respectively.

Please be informed accordingly.

Sincerely yours,

(Mr. Weerapon Chaiteerath)

Managing Director