

No. MASSTEC 002/2025

October 24 2025

Subject Management Discussion and Analysis (MD&A) the 6-month period and 3-month period ended June 30, 2025

To President
 The Stock Exchange of Thailand

Masstec Link Public Company Limited (the "Company") would like to report Operating results for the 6-month period and 3-month period ended June 30, 2025, with details as follows:

1. Business Operations Overview



The Company is an importer and procure its engineering products, which are categorized into 3 main product groups: 1) HVAC and Sanitation System Products such as components for Chilled Water Systems, water flow control equipment used in sanitation systems, etc. 2) Fire Protection and Safety Products such as components for automatic water-based fire suppression systems, fire-stopping systems, etc. 3) Innovations for Energy and Environmental Conservation Products in large-scale air conditioning or industrial cooling systems, featuring Non-Chemical Water Treatment for Cooling Towers to enhance water-based heat dissipation efficiency and corrosion prevention, as well as Energy Efficient for Water Systems to improve the efficiency of large-scale cooling or air conditioning systems, etc. To meet customer needs and satisfaction in purchasing the Company's products, in addition to product quality and variety, the Company also has its scope of services. These services range from understanding engineering designs, system design related to the products the Company sells, conducting studies and inspections, providing consulting, and offering appropriate solutions in terms of product technology, relevant

legal requirements, and, most importantly, ensuring alignment with the customer's overall budget. This also includes engineering services, covering installation, inspection for repair, and maintenance of engineering products to ensure continuous efficient operation.

2. Summary of Operating Results

Six-month period ended June 30, 2025

Overall, for the first six-month period of 2025, the company reported revenue from sales and services of THB 395.53 million, a decrease from the same period last year, due to project work and some existing projects not proceeding as planned due to delays. However, net profit increased to THB 5.34 million, and the net profit margin stood at 1.34%, an improvement from the same period last year, due to a higher gross profit margin and a decrease in loss from impairment of financial assets and lower finance cost.

Note: The values (in million THB) and proportions are rounded using mathematical principles, which may result in minor discrepancies in the final decimal sums.

	First 6M-2024		First 6M-2025		Change “()/–”=Decrease, “+”= Increase	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Revenue from Sales and Services	400.18	100.00%	395.53	100.00%	(4.64)	-1.16%
Cost from Sales and Services	(293.11)	-73.24%	(282.94)	-71.53%	(10.17)	-3.47%
Gross Profit	107.07	26.76%	112.59	28.47%	5.53	5.16%
Other revenue ¹	2.01	0.50%	1.59	0.40%	(0.42)	-20.80%
Gain from fair value measurement of derivative – net	1.29	0.32%	0.04	0.01%	(1.25)	-97.12%
Gain (loss) on foreign exchange rate – net	(0.20)	-0.05%	0.71	0.18%	0.91	n.a.
Selling expense	(51.76)	-12.93%	(48.98)	-12.38%	(2.78)	-5.37%
Administrative expense	(39.38)	-9.84%	(47.56)	-12.02%	8.18	20.78%
Profit from operating activities	19.03	4.76%	18.40	4.65%	(0.63)	-3.33%
Financial income – interest income	0.37	0.09%	0.42	0.11%	0.05	13.62%
Finance costs	(7.93)	-1.98%	(6.45)	-1.63%	(1.48)	-18.64%
Loss of impairment loss on financial assets	(10.69)	-2.67%	(5.51)	-1.39%	(5.17)	-48.42%
Profit before tax	0.78	0.20%	6.85	1.73%	6.07	774.44%
Tax expense	(0.27)	-0.07%	(1.51)	-0.38%	1.24	459.30%
Profit for the year¹	0.51	0.13%	5.34	1.34%	4.83	940.12%

Note: Proportion of Revenue from Sales and Services

/1 Proportion of Total Revenue

Product groups	First 6M-2024		First 6M-2025	
	THB Mil.	%	THB Mil.	%
HVAC and Sanitation System Products	228.92	57.21%	254.42	64.32%

Product groups	First 6M-2024		First 6M-2025	
	THB Mil.	%	THB Mil.	%
Fire Protection and Safety Products	142.36	35.57%	120.57	30.48%
Innovations for energy and environmental conservation Products	28.90	7.22%	20.55	5.19%
Revenue from Sales and Services	400.18	100.00%	395.53	100.00%

Note: Proportion of Revenue from Sales and Services

Customer groups	First 6M-2024		First 6M-2025	
	THB Mil.	%	THB Mil.	%
Contractors	345.59	86.36%	332.06	83.95%
Dealers or Distributors	27.94	6.98%	20.40	5.16%
Project Owners	26.64	6.66%	43.08	10.89%
Revenue from Sales and Services	400.18	100.00%	395.53	100.00%

Note: Proportion of Revenue from Sales and Services

- Revenue from Sales and Services

For the first six-month period of 2025, the company's revenue from sales and services decreased by THB 4.64 million, or a reduction of 1.16% compared to the same period of the previous year (revenue from sales and services for the first six-month period of 2024 was THB 400.18 million). This was due to: (1) The Fire Protection and Safety Products Group having a revenue decrease of THB 21.79 million, or a reduction of 15.31%, from lower sales of fire sprinkler heads due to reduced delivery in the period. However, the said product had an outstanding backlog as of June 30, 2025, valued at THB 61.35 million, which is expected to be mostly delivered within 2025; (2) The Energy and Environmental Conservation Products and Innovation Group having a revenue decrease of THB 8.35 million, or a reduction of 28.90%, from lower sales and service work for solar cell system installation. While (3) The HVAC and Sanitation System Products Group had a revenue increase of THB 25.50 million, or an increase of 11.14%, from the newly marketed valves playing a role in offsetting the former main brand that had a reduced proportion, cooling towers, and copper pipe insulation.

As of June 30, 2025, the company had outstanding Purchase Orders (POs) or customer contracts for goods or services not yet delivered, totaling THB 343.15 million. This amount is expected to be gradually recognized as revenue primarily within the year 2025. It is estimated that approximately 308 million THB, or 90% of the total value, will be recognized as revenue in 2025, with the remaining amount in 2026. (This amount does not include any potential additional orders placed after June 30, 2025, which would be delivered within the 2025 period.)

Product groups	June 30,2025	
	THB Mil.	%
HVAC and Sanitation System Products	152.21	44.36%
Fire Protection and Safety Products	147.20	42.90%
Innovations for energy and environmental conservation Products	43.74	12.74%
Total outstanding purchase orders for goods and services not yet delivered	343.15	100.00%

- Cost and Gross Profit Margin

	First 6M-2024		First 6M-2025	
	THB Mil.	%/GPM	THB Mil.	%/GPM
Cost from Sales and Services	(293.11)	-73.24%	(282.94)	-71.53%
Gross profit	107.07	26.76%	112.59	28.47%

Note: Proportion of Revenue from Sales and Services

For the first six-month period of 2025, the company saw an increase in both gross profit and gross profit margin (reaching 28.47%) despite a decrease in revenue from sales and services compared to the prior year. This margin improvement was primarily driven by two factors: an increase in the gross profit margin of HVAC and Sanitation System Products Group, where higher-margin, newly marketed valves compensated for a reduction in the former main brand's contribution; and an increase in the gross profit margin of the Energy and Environmental Conservation Products and Innovation Group, which shifted its main revenue focus toward the sale and service of Non-Chemical Water Treatment systems for swimming pools and cooling towers, products that offer a higher gross profit margin than the declining solar installation revenue.

- Selling Expense

	First 6M-2024		First 6M-2025	
	THB Mil.	%	THB Mil.	%
Employee compensation for sales, service, and sales administration	25.90	6.47%	26.72	6.75%
Sales and service employee commissions	8.89	2.22%	8.58	2.17%
Sales promotion and entertainment expenses	3.88	0.97%	2.89	0.73%
Vehicle fuel and domestic travel expenses	4.75	1.19%	3.91	0.99%
Depreciation expense	2.82	0.70%	1.99	0.50%
Other selling expenses ^{/1}	5.52	1.38%	4.89	1.24%
Selling Expense	51.76	12.93%	48.98	12.38%

Note: Proportion of Revenue from Sales and Services

/1 Other selling expenses primarily consist of freight charges, telephone expenses, and motor vehicle insurance premiums

For the first six-month period of 2025, the company's total selling expenses decreased by THB 2.78 million, or a reduction of 5.37% from the first six-month period of 2024. This resulted from: a decrease in promotional and entertainment expenses of THB 0.99 million due to more effective budget control; a decrease in vehicle fuel costs of THB 0.84 million due to a reduction in the number of employees in several departments during the period, such as employees in the Southern region, staff in the Fire Department, and the marketing team, resulting in reduced vehicle usage; a decrease in commission expenses of THB 0.30 million commensurate with the revenue from sales and services; a decrease in depreciation expense of THB 0.83 million due to the full lifespan of assets; and a decrease in other expenses of THB 0.63 million from hiring in-house staff specialized in swimming pool treatment systems instead of external consultants. Meanwhile, compensation for sales employees increased by THB 0.82 million according to the estimated bonus expenses approved by the Board of Directors (whereas the previous

period saw no recognition, as the management then assessed that net profit might not meet the target due to the economic situation and thus considered withholding the bonus). The proportion of selling expenses to revenue from sales and services decreased slightly; even though sales revenue decreased, selling expenses decreased at a higher rate than the revenue reduction, resulting in a slight improvement in this proportion

- **Administrative expense**

	First 6M-2024		First 6M-2025	
	THB Mil.	%	THB Mil.	%
Employee compensation	25.41	6.35%	28.49	7.20%
Write off trade accounts receivable	--	--	--	--
Depreciation expense	3.53	0.88%	4.41	1.11%
Wages and services	3.75	0.94%	6.04	1.53%
Other administrative expenses ^{/1}	6.68	1.67%	8.62	2.18%
Administrative expense	39.38	9.84%	47.56	12.02%

Note: Proportion of Revenue from Sales and Services

/1 Other administrative expenses include, for example, fees for various program or service subscriptions, vehicle fuel expenses, utility costs, document printing cost, security fees, etc.

For the first six-month period of 2025, the company's administrative expenses increased by THB 8.18 million, or an increase of 20.78% compared to the first six-month period of 2567 (2024). This was due to: an increase in employee compensation of THB 3.08 million from the estimated bonus expenses approved by the Board of Directors (whereas the previous period saw no recognition, as the management then assessed that net profit might not meet the target due to the economic situation and thus considered withholding the bonus) and the adjustment of annual salary rates; an increase in wages and services of THB 2.28 million from hiring public relations service providers and expenses related to listing on the stock exchange; an increase in depreciation expense of THB 0.88 million as the company invested additionally in assets for internal office use in 2024, such as solar cell systems, equipment to enhance the performance of air conditioning systems, electric vehicle charging stations, etc.; and an increase in other expenses of THB 1.94 million from the cost of replacing backup batteries for computers and servers, which reached their useful life cycle, as well as guarantee issuance fees and payments to foreign trade creditors. The proportion of administrative expenses to revenue from sales and services increased, due to the administrative expenses increasing while revenue from sales and services decreased.

- **Finance costs**

	First 6M-2024		First 6M-2025	
	THB Mil.	%	THB Mil.	%
Finance costs	7.93	1.98%	6.45	1.63%

Note: Proportion of Revenue from Sales and Services

For the first six-month period of 2025, the company's finance cost decreased by THB 1.48 million. The main reason was the reduction in the Bank of Thailand's policy interest rate from 2.5% in the same quarter of the previous year to 2.25% effective October 16, 2024, further decreasing to 2.00% effective February 26, 2025, and

subsequently to 1.75% effective April 30, 2025. Furthermore, the interest rate trend continued to decrease, with the latest reduction to 1.50% effective August 13, 2025. This resulted in the financial institutions providing the company's credit facilities adjusting their reference interest rates downward. This was compounded by a decrease in long-term loans due to scheduled repayments in line with the financial institutions' terms, and total short-term loans being at a lower level than in the same period of the previous year.

- Profit for the Year / Net Profit

	First 6M-2024		First 6M-2025	
	THB Mil.	NPM	THB Mil.	NPM
Net Profit	0.51	0.13%	5.34	1.34%

Note: Proportion of total Revenue

For the first six-month period of 2025, the company recorded a net profit of THB 5.34 million, representing a net profit margin of 1.34%, an increase from the same period of the previous year. This resulted from an improved gross profit margin, a decrease in finance cost, and a reduction in loss from impairment of financial assets due to a lower allowance for expected credit losses on trade receivables. This reduction was a result of more efficient monitoring of debtors following the restructuring of the finance department and appropriate manpower allocation, as well as limiting transactions with debtors experiencing financial liquidity issues. This compares to the first six-month period of 2024, when the company had a net profit of THB 0.51 million, representing a net profit margin of 0.13%, mainly due to the loss from impairment of financial assets arising from the allowance for expected credit losses on trade receivables.

Three-month period ended June 30, 2025

Overall, for the second quarter of 2025 (Q2/2025), the company reported revenue from sales and services of THB 180.92 million, a decrease from the same period last year and the previous quarter. This was due to a reduction in project work and some existing projects not proceeding as planned due to delays.

The company recorded a net loss of THB 1.85 million, representing a net loss margin of 1.02%. This was due to the reduced project work and some existing projects not proceeding as planned due to delays, compounded by an increase in administrative expenses, primarily related to IPO costs, and an increase in loss from impairment of financial assets resulting from the rise in trade receivables overdue by more than 6–12 months and more than 12 months. However, as of June 30, 2025, the company had a backlog of undelivered goods or services (Backlog) valued at THB 343.15 million. It is estimated that approximately 308 million THB, or 90% of the total value, will be recognized as revenue in 2025, with the remaining amount in 2026. (This amount does not include any potential additional orders placed after June 30, 2025, which would be delivered within the 2025 period.)

	Quarter 2 nd 2024		Quarter 2 nd 2025		Change YoY		Quarter 1 st 2025		Change QoQ	
	THB Mil.	%	THB Mil.	%	THB Mil.	%	THB Mil.	%	THB Mil.	%
Revenue from Sales and Services	202.50	100.00%	180.92	100.00%	(21.59)	-10.66%	214.62	100.00%	(33.70)	-15.70%
Cost from Sales and Services	(146.14)	-72.17%	(131.00)	-72.41%	(15.14)	-10.36%	(151.94)	-70.80%	(20.94)	-13.78%
Gross Profit	56.36	27.83%	49.92	27.59%	(6.45)	-11.44%	62.68	29.20%	(12.76)	-20.36%

	Quarter 2 nd 2024		Quarter 2 nd 2025		Change YoY		Quarter 1 st 2025		Change QoQ	
	THB Mil.	%	THB Mil.	%	THB Mil.	%	THB Mil.	%	THB Mil.	%
Other revenue ^{/1}	1.19	0.59%	1.38	0.76%	0.19	15.92%	0.21	0.10%	1.17	546.79%
Gain from fair value measurement of derivative – net	(0.62)	-0.31%	(0.82)	-0.45%	0.19	30.86%	0.85	0.40%	(1.67)	-195.64%
Gain (loss) on foreign exchange rate – net	1.50	0.74%	1.37	0.76%	(0.14)	-9.10%	(0.66)	-0.31%	2.02	307.75%
Selling expense	(26.91)	-13.29%	(22.79)	-12.59%	(4.13)	-15.34%	(26.20)	-12.21%	(3.41)	-13.01%
Administrative expense	(19.33)	-9.55%	(25.55)	-14.12%	6.22	32.18%	(22.01)	-10.25%	3.54	16.09%
Profit from operating activities	12.19	6.02%	3.51	1.94%	(8.68)	-71.18%	14.88	6.93%	(11.37)	-76.40%
Financial income – interest income	0.18	0.09%	0.25	0.14%	0.07	35.83%	0.17	0.08%	0.09	51.65%
Finance costs	(4.04)	-1.99%	(3.07)	-1.70%	(0.97)	-24.02%	(3.38)	-1.58%	(0.32)	-9.32%
Loss of impairment loss on financial assets	(1.64)	-0.81%	(2.90)	-1.60%	1.26	76.73%	(2.62)	-1.22%	0.28	10.66%
Profit before tax	6.70	3.31%	(2.20)	-1.22%	(8.90)	-132.81%	9.05	4.22%	(11.25)	-124.29%
Tax expense	(1.06)	-0.52%	0.35	0.19%	1.40	132.87%	(1.86)	-0.87%	2.20	118.70%
Profit (Loss) for the year^{/1}	5.64	2.75%	(1.85)	-1.01%	(7.49)	-132.80%	7.19	3.33%	(9.04)	-125.74%

Note: Proportion of Revenue from Sales and Services

/1 Proportion of Total Revenue

Product groups	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
HVAC and Sanitation System Products	116.88	57.72%	139.02	64.77%	115.40	63.79%
Fire Protection and Safety Products	66.92	33.05%	62.93	29.32 %	57.64	31.86%
Innovations for energy and environmental conservation Products	18.70	9.24%	12.67	5.91%	7.87	4.35%
Revenue from Sales and Services	202.50	100.00%	214.62	100.00%	180.92	100.00%

Note: Proportion of Revenue from Sales and Services

Customer groups	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Contractors	172.06	84.96%	174.19	81.16%	157.87	87.26%
Dealers or Distributors	14.39	7.11%	11.04	5.15%	9.35	5.17%
Project Owners	16.05	7.93%	29.38	13.69%	13.70	7.57%
Revenue from Sales and Services	202.50	100.00%	214.62	100.00%	180.92	100.00%

Note: Proportion of Revenue from Sales and Services

- Revenue from Sales and Services

For the second quarter of 2025 (Q2/2025), the company's revenue from sales and services decreased by THB 21.59 million, or a reduction of 10.66%, compared to the same period of the previous year, due to: (1) The Innovations for energy and environmental conservation Products Group having a revenue decrease of THB 10.83 million, or a reduction of 57.91%, from lower sales and service work for solar cell system installation; (2) The Fire Protection and Safety Products Group having a revenue decrease of THB 9.28 million, or a reduction of 13.87%, from lower sales of fire pumps and fire hoses; and (3) HVAC and Sanitation System Products group having a revenue

decrease of THB 1.47 million, or a reduction of 1.26%, from lower sales of water pumps and chilled water control valves.

Compared to the preceding quarter, the company's revenue from sales and services decreased by THB 33.70 million, due to: (1) HVAC and Sanitation System Products Group having a revenue decrease of THB 23.61 million, or a reduction of 20.46%, from lower sales of water pumps and on/off valves; (2) The Fire Protection and Safety Products Group having a revenue decrease of THB 5.29 million, or a reduction of 9.17%, from lower sales of firefighting equipment and fire pumps; and (3) The Energy and Environmental Conservation Products and Innovation Group having a revenue decrease of THB 4.80 million, or a reduction of 61.00%, from lower sales and service work for solar cell system installation.

- **Cost from Sales and Services and Gross Profit**

	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	%/GPM	THB Mil.	%/GPM	THB Mil.	%/GPM
Cost from Sales and Services	(146.14)	-72.17%	(151.94)	-70.80%	(131.00)	-72.41%
Gross Profit	56.36	27.83%	62.68	29.20%	49.92	27.59%

Note: Proportion of Revenue from Sales and Services

For the second quarter of 2025 (Q2/2025), the company's gross profit decreased in line with revenue from sales and services, compared to both Q2 2024 and Q1 2025. The gross profit margin decreased to 27.59%. The main reason was the decrease in the gross profit margin of the HVAC and Sanitation System Products Group, due to product groups that typically have high gross profit margins, specifically air conditioning system water pumps and large air conditioning system chilled water control valves, experienced reduced revenue. Meanwhile, the proportion of revenue from copper pipe sales — which inherently have a lower gross profit margin than other product groups — increased.

- **Selling Expense**

	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Employee compensation for sales, service, and sales administration	13.26	6.55%	13.53	6.30%	13.19	7.29%
Sales and service employee commissions	5.16	2.55%	4.63	2.16%	3.96	2.19%
Sales promotion and entertainment expenses	1.89	0.93%	2.03	0.95%	0.87	0.48%
Vehicle fuel and domestic travel expenses	2.39	1.18%	2.13	0.99%	1.78	0.98%
Depreciation expense	1.51	0.74%	1.00	0.47%	0.99	0.55%
Other selling expenses ¹	2.70	1.33%	2.88	1.34%	2.01	1.11%
Selling Expense	26.91	13.29%	26.20	12.21%	22.79	12.59%

Note: Proportion of Revenue from Sales and Services

¹ Other selling expenses primarily consist of freight charges, telephone expenses, and motor vehicle insurance premiums

For the second quarter of 2025 (Q2/2025), the company's total selling expenses decreased by THB 4.13 million, or a reduction of 15.34%, from the same period of the previous year. This was due to a decrease in commission expenses of THB 1.21 million commensurate with the revenue from sales and services, and a decrease in

promotional and entertainment expenses of THB 1.03 million resulting from more efficient cost control. The remaining total of THB 1.90 million resulted from a decrease in other selling expenses of THB 0.70 million, vehicle fuel costs and domestic travel expenses of THB 0.61 million, depreciation expense of THB 0.52 million, and compensation for sales, service, and sales administration employees of THB 0.07 million. The proportion of selling expenses to revenue decreased, as the selling expenses decreased at a higher rate than the decrease in revenue from sales and services.

Compared to the preceding quarter, the company's total selling expenses decreased by THB 3.41 million, or a reduction of 13.01%, due to a decrease in promotional and entertainment expenses of THB 1.16 million as the previous quarter included a seminar event for product promotion, while no such event was held in the second quarter of 2025 (Q2/2025). The remaining total of THB 2.25 million resulted from a decrease in other selling expenses of THB 0.88 million, sales employee commissions of THB 0.67 million, vehicle fuel costs and domestic travel expenses of THB 0.35 million, sales employee compensation of THB 0.34 million, and depreciation expense of THB 0.01 million. The proportion of selling expenses to revenue increased due to revenue from sales and services decreasing at a higher rate than the decrease in selling expenses.

- **Administrative expense**

	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Employee compensation	12.47	6.16%	14.33	6.68%	14.16	7.83%
Write off trade accounts receivable	0.00	0.00%	0.00	0.00%	0.00	0.00%
Depreciation expense	1.73	0.85%	2.19	1.02%	2.22	1.23%
Wages and services	1.92	0.95%	2.37	1.10%	3.67	2.03%
Other administrative expenses ¹	3.22	1.59%	3.13	1.46%	5.50	3.04%
Administrative expense	19.33	9.55%	22.01	10.25%	25.55	14.12%

Note: Proportion of Revenue from Sales and Services

/1 Other administrative expenses include, for example, fees for various program or service subscriptions, vehicle fuel expenses, utility costs, security fees, etc.

For the second quarter of 2025 (Q2/2025), the company's administrative expenses increased by THB 6.22 million, or an increase of 32.18%, compared to the same period of the previous year. This was due to an increase in other administrative expenses of THB 2.28 million, and an increase in wages and services of THB 1.75 million from hiring public relations service providers and expenses related to listing on the stock exchange, and an increase in employee compensation of THB 1.70 million from the estimated bonus expenses approved by the Board of Directors (whereas the previous period saw no recognition, as the management then assessed that net profit might not meet the target due to the economic situation and thus considered withholding the bonus) and the adjustment of annual salary rates.

Compared to the preceding quarter, the company's administrative expenses increased by THB 3.54 million, or an increase of 16.09%, due to an increase in other administrative expenses of THB 2.37 million and an increase in wages and services of THB 1.30 million from hiring public relations service providers and expenses related to listing on the stock exchange.

The proportion of administrative expenses to revenue increased compared to the same period of the previous year and the preceding quarter, due to the increase in administrative expenses, whereas the decrease in revenue from sales and services.

- Finance costs

	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Finance costs	4.04	1.99%	3.38	1.58%	3.07	1.70%

Note: Proportion of Revenue from Sales and Services

For the second quarter of 2025 (Q2/2025), the company's finance cost decreased by THB 0.97 million. The main reason was the reduction in the Bank of Thailand's policy interest rate to 2.00% effective February 26, 2025, and subsequently to 1.75% effective April 30, 2025. Furthermore, the interest rate trend continued to decrease, with the latest reduction to 1.50% effective August 13, 2025. This resulted in the financial institutions providing the company's credit facilities adjusting their reference interest rates downward, compounded by a decrease in long-term loans due to scheduled repayments in line with the financial institutions' terms.

Compared to the preceding quarter, the company's finance cost decreased by THB 0.32 million due to the reasons mentioned above, namely the continuous reduction in the policy interest rate and the decrease in long-term loans from repayments in accordance with contract terms.

- Profit (Loss) for the Year / Net Profit (Loss)

	Quarter 2 nd 2024		Quarter 1 st 2025		Quarter 2 nd 2025	
	THB Mil.	NPM	THB Mil.	NPM	THB Mil.	NPM
Net Profit (Loss)	5.64	2.79%	7.19	3.33%	(1.85)	-1.02%

Note: Proportion of total Revenue

In the second quarter of 2025 (Q2/2025), the company recorded a net loss of THB 1.85 million, representing a net loss margin of 1.02%. This was due to project work and some existing projects not proceeding as planned because of delays, compounded by an increase in administrative expenses, which were mainly related to IPO costs, and an increase in loss from impairment of financial assets resulting from a rise in trade receivables overdue by more than 6–12 months and more than 12 months. However, as of June 30, 2025, the company had a backlog of undelivered goods or services (Backlog) valued at THB 343.15 million which primarily recognized as revenue within the year 2025. It is estimated that approximately 308 million THB, or 90% of the total value, will be recognized as revenue in 2025, with the remaining amount in 2026. (This amount does not include any potential additional orders placed after June 30, 2025, which would be delivered within the 2025 period.)

3. Summary of Financial Position

	December 31, 2024		June 30, 2025	
	THB Mil.	%	THB Mil.	%
Current Assets				
Cash and cash equivalent	27.27	3.53%	12.11	1.69%
Trade and other current receivables	225.09	29.12%	180.91	25.21%
Inventories	246.69	31.92%	252.09	35.13%
Remaining Other Current Assets	12.09	1.56%	12.43	1.73%
Total Current Assets	511.14	66.13%	457.53	63.75%
Non-Current Assets				
Property, plant and Equipment	168.22	21.76%	164.46	22.92%
Remaining Other Non-Current Assets	93.53	12.10%	95.68	13.33%
Total Non-Current Assets	261.74	33.87%	260.14	36.25%
Total Asset	772.88	100.00%	717.67	100.00%
Current Liabilities				
Short-term loan from financial institutions	283.78	36.72%	95.68	13.33%
Trade and other current payables	143.33	18.54%	287.48	40.06%
Remaining Other Current Liabilities	26.45	3.42%	21.69	3.02%
Total Current Liabilities	453.55	58.68%	406.87	56.69%
Non-Current Liabilities				
Total Non-Current Liabilities	40.59	5.25%	36.67	5.11%
Total Liabilities	494.14	63.94%	443.54	61.80%
Shareholders' Equity				
Share capital registered	300.00	38.82%	300.00	41.80%
Issued and paid-up	221.00	28.59%	221.00	30.79%
Retained earnings				
Appropriated for legal reserve	19.10	2.47%	19.10	2.66%
Unappropriated	38.64	5.00%	34.03	4.74%
Total Shareholders' Equity	278.74	36.06%	274.13	38.20%
Total Liabilities and Shareholders' Equity	772.88	100.00%	717.67	100.00%

Asset

As of December 31, 2024, and June 30, 2025, the company's total assets were THB 772.88 million and THB 717.67 million, respectively. The company's key assets include trade and other receivables, inventories, and property, plant, and equipment. The significant asset items changed as follows:

- **Trade and other current receivables**

As of June 30, 2025, the company's trade receivables (before deducting allowance for expected credit losses) decreased by THB 38.02 million, or a reduction of 15.72%, from the end of 2024, due to customer payments. This resulted in a decrease in current receivables of THB 23.81 million and a decrease in receivables overdue by less than 3 months of THB 24.20 million. Meanwhile, receivables overdue by 3–6 months decreased by THB 2.45 million due to the aging of debtors moving into the 6–12 months overdue category, which increased by THB 11.37 million from 3 debtors with financial liquidity issues, totaling THB 11.79 million (representing 62.67% of the receivables in that aging group). (For the first two debtors, legal action has been filed and accepted by the court, and the cases are currently under judicial review. For the third debtor, the company is in the process of sending a debt collection notice via an attorney before proceeding to the next step of litigation.) Additionally, receivables overdue by more than 12 months increased by THB 1.07 million due to the aging of 2 debtors, both of whom have had legal action filed and accepted by the court, and the cases are under judicial review. One of these debtors was previously in the 6–12 months overdue category. The main reason why debt collection has not been successful is the debtors' financial liquidity constraints. Although they previously made regular payments, they began experiencing liquidity issues starting in 2024. However, the debtors are still operating their businesses, which the management considers a positive factor that they may have the opportunity to repay the debt when their financial status improves. Moreover, entering legal proceedings helps accelerate clarification regarding repayment.

As of June 30, 2025, the allowance for expected credit losses (ECL) on trade receivables was THB 36.81 million, consisting of the amount estimated by the actuary of THB 32.25 million and an additional amount set aside at the management's discretion of THB 4.56 million. The allowance increased by THB 5.13 million due to the aging of trade receivables, specifically the 6–12 months overdue category, which increased by THB 11.37 million from 3 debtors with financial liquidity issues, for which an ECL allowance totaling THB 5.23 million was set. The allowance for receivables overdue by more than 12 months was additionally set at THB 1.67 million to reach 100% of the newly aged receivable amount from 1 debtor, based on the management's discretion after assessing the repayment ability of the debtors with financial liquidity issues. The company has already initiated or is in the process of initiating legal action against the debtors overdue by more than 12 months.

- **Inventories**

As of June 30, 2025, the company's inventory value before deducting loss from write-down of inventory increased by THB 8.20 million, or an increase of 3.16%, compared to the end of 2024. This resulted from an increase in finished goods of THB 15.69 million, while goods in transit decreased by THB 7.35 million, which is consistent with the receipt of goods into the warehouse for stock replenishment and to support customer orders. Meanwhile, raw materials increased slightly by THB 0.02 million and work in process decreased by THB 0.16 million. The core stock items, including gate valves, copper pipes, fire sprinkler heads, solar cells, and chilled water control valves (the remainder being stock value below THB 10 million), totaled THB 166.50 million, or 62.25% of inventory before deducting loss from write-down of inventory. Purchases and revenue from these brands during the year

totalled THB 160.89 million and THB 204.66 million, respectively. The average allowance for diminution in inventory value ("Allowance") increased to an average of 6.21%, an increase of THB 2.80 million, compared to the end of the previous year. This was due to the company's slow-moving inventory (4 years and older) increasing by THB 7.46 million. This increase came from valves, the former main brand of the HVAC and Sanitation System Products Group, where the supplier had increased prices during the COVID-19 period, resulting in reduced competitiveness and subsequently higher inventory backlog.

- **Property, plant and Equipment**

As of June 30, 2025, the company's property, plant, and equipment decreased by THB 3.76 million, due to the recognition of depreciation expense of THB 4.58 million, while additional investments of THB 0.83 million were made, such as tools and equipment for product testing and work in progress for solar system installation at the warehouse, etc.

Liabilities

As of December 31, 2024, and June 30, 2025, the company's total liabilities were THB 494.14 million and THB 443.54 million, respectively, representing a proportion of 63.94% and 61.80% of total liabilities and shareholders' equity for each year. The company's significant liabilities include bank overdrafts and short-term loans from financial institutions and trade and other payables. The significant liability items changed as follows:

- **Short-term loan from financial institutions**

As of June 30, 2025, the company's bank overdrafts and short-term loans from financial institutions increased by THB 3.70 million, due to an increase in the use of promissory notes by THB 5.00 million and an increase in the use of bank overdraft limits by an additional THB 0.70 million, to be used as working capital for business operations. Meanwhile, import credit decreased by THB 2.00 million due to repayments in accordance with the conditions stipulated by the financial institutions.

- **Trade and other current payables**

As of June 30, 2025, the total trade and other current payables decreased by THB 45.63 million, mainly due to payments made to trade creditors.

Shareholders' Equity

As of December 31, 2024, and June 30, 2025, the company's total shareholders' equity was THB 278.74 million and THB 274.13 million, respectively, representing a proportion of 36.06% and 38.20% of total liabilities and shareholders' equity for each year. This slight decrease was due to the payment of the 2024 annual dividend, which was partially offset by the net profit earned by the company.

- **Retained earnings – Unappropriated**

The Annual General Meeting of Shareholders 2025 on March 18, 2025, approved the payment of an additional annual dividend for 2024, resolving to pay a dividend to shareholders totaling 221 million shares at a rate of THB 0.045 per share, amounting to THB 9.95 million, which was paid on March 21, 2025.

4. Cash Flow Analysis

	6M-2024 THB mil.	6M-2025 THB mil.
Cash received (used in) from operating activities	44.88	0.65
Cash received (used in) from investing activities	(3.90)	0.03
Cash received (used in) from financing activities	(47.41)	(15.85)
Net cash increase (decrease) on financing activities	(6.44)	(15.17)
Cash and cash equivalents, beginning of the year	15.39	27.27
Cash and cash equivalents, ending of the year	8.95	12.11

For the first six-month period of 2025, the company's cash and cash equivalents decreased by THB 15.17 million to THB 12.11 million as of June 30, 2025, from the following activities:

- (1) The company had net cash generated from operating activities of THB 0.65 million. Key cash inflows included cash received from customers, resulting in a net decrease in trade receivables of THB 38.62 million, net profit of THB 5.34 million, plus back the loss from impairment of financial assets (or allowance for trade receivable diminution) of THB 5.51 million, and depreciation and amortization expense of THB 6.85 million. Meanwhile, the company used cash to pay trade creditors, resulting in a net decrease in trade and other current payables of THB 45.38 million, an increase in inventory of THB 8.20 million for stock replenishment and to support customer orders, and net cash used in other operating activities of THB 8.30 million for the payment of corporate income tax and the payment of benefits to employees reaching retirement age. Concurrently, the company had cash inflows from the reversal of allowance for expected credit losses and the reversal of allowance for diminution in inventory value. Other items included in other operating cash flows were, for example, cash received from an increase in contract liabilities, cash paid from a decrease in current liabilities, and an increase in short-term provisions, etc.
- (2) The company had net cash generated from investing activities of THB 0.03 million from other cash received from investments of THB 0.86 million from the disposal of the vehicle assigned to the Chief Technology Officer. Meanwhile, the company had cash paid for the purchase of property, plant, and equipment and computer software of THB 0.83 million for capital expenditure, such as tools and equipment for product testing, work in progress for solar system installation at the warehouse, etc.
- (3) The company had net cash used in financing activities of THB 15.85 million. Key cash outflows included dividend payments of THB 9.95 million, finance costs of THB 6.28 million, and repayment of long-term loans to financial institutions according to stipulated terms, resulting in a net decrease in long-term loans of THB 2.01 million. Meanwhile, the company had an increase in bank overdrafts and short-term loans of THB 3.70 million from increased use of promissory notes, utilized as working capital for business operations.

5. Key Financial Ratios

Key Financial Ratios	First 6M-2024	First 6M-2025
Liquidity Ratios (Times)	1.13	1.12
Average Collection Period (Days)	93	103
Average Inventory Holding Period (Excluding Goods in Transit) (Days)	128	155
Average Payment Period (Days)	54	65

Key Financial Ratios	First 6M-2024	First 6M-2025
Cash Cycle (Days)	167	193
Return on Equity (ROE) (%)	15.50%	3.86%
Return on Assets (ROA) (%)	5.46%	1.43%
Debt-to-Equity Ratio (Times)	1.77	1.62
Debt Service Coverage Ratio (Times)	3.69	2.06

6. Factors Affecting the Company's Operations

The company continues to focus on a strategy of maintaining market share for its existing product groups, which include air conditioning, sanitation, fire protection, and safety products that meet international standards. The strategy emphasizes sales to new construction projects and offering replacement services for existing systems in older buildings. The company also has new products for system components that are being marketed, including equipment to enhance air conditioning system efficiency by removing air, controlling pressure, or removing sediment, under the REFLEX brand, which has been marketed since 2020, and water treatment equipment to enhance the efficiency of cooling towers, under the ECO-WATER brand, which has been marketed since 2021, and a chemical-free swimming pool treatment system (ENVIROSWIM), as well as the sale and installation service of solar cells. This is in line with the company's policy to emphasize the environment by helping to mitigate global warming through reducing chemicals and reducing the use of fossil fuels by supporting the use of renewable energy from the sun. Furthermore, new products in the fire suppression system include fire extinguishing equipment using clean agents and foam, and stairwell pressurization equipment for smoke control in fire escape stairwells, which have been marketed since 2024.

7. Sustainability Development

The Company operates its business with awareness and emphasis on sustainable development and takes into account Environmental, Social, and Governance (ESG) factors, with the following actions being implemented

- **Environment**

1. Adopting technology to replace traditional work methods, such as the already implemented Electronic Payment (E-Payment) and Electronic Tax Invoice (E-Tax Invoice) systems, Electronic Signatures (E-Signature) currently under consideration, and the use of email on cloud for transferring information among partners and allies instead of printing documents, etc.
2. Sourcing and distributing new products that place greater importance on the environment, while also emphasizing and supporting the purchase of goods from suppliers who are similarly environmentally conscious. Currently, there are 8 suppliers with established ESG policies and 3 more that are in the process of implementing ESG practices. The Company aims to be a strong partner and provide greater mutual support to this group of suppliers.
3. Establishing policies related to quality management systems, encompassing energy management, water management, waste management, and pollution control, as well as the reduction of greenhouse gas emissions. Implementation starts internally, such as campaigning for cooperation from executives and employees in sorting waste and turning off lights when not in use. Additionally, solar cells have been installed on the roof of the head office (83.60 kWp) and the Company's warehouse (52.80 kWp, with the warehouse system scheduled to connect to the grid in July 2025), resulting in an approximate 26% reduction in electricity consumption in 2024. The Company is currently in the process of installing solar panels on the roof of the service department.
4. The Company is currently studying data to plan the collection and calculation of its corporate Carbon Footprint. Employees have been sent for training on calculating the corporate carbon footprint (TH) by the British Standards Institution (BSI) since March 2024. Although the training is ongoing for internal assessment, the Company expects to hire a Carbon Footprint Verifier accredited by the Thailand

Greenhouse Gas Management Organization (Public Organization) (TGO) to verify and assess the data, with the goal of disclosing information regarding the organization's greenhouse gas emissions assessment by 2026.

- **Social** This includes internal management, external management with customers/partners, and engagement with communities or external personnel, etc.
- **Good Corporate Governance** The Company has a Good Corporate Governance policy, approved by the Board of Directors, which clearly defines roles, duties, and responsibilities.