

No. MASSTEC 010/2025

November 13, 2025

Subject Management Discussion and Analysis (MD&A) for the 9-month period and 3-month period ended September 30, 2025

To President
The Stock Exchange of Thailand

Masstec Link Public Company Limited ("the Company") would like to report Operating results for the 9-month and 3-month periods ended September 30, 2025, with details as follows:

1. Business Operations Overview

The Company imports and procures its own range of engineering products, which are categorized into 3 main product groups such as 1) HVAC and Sanitation System Products, including components for chilled water systems, water flow control equipment used in sanitation systems, and related accessories. 2) Fire Protection and Safety Products, comprising components for automatic water-based fire suppression systems, fire-stopping systems, and other fire safety equipment. 3) Innovations for Energy and Environmental Conservation Products, focusing on 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 solutions for water systems to improve the performance of large-scale cooling or air conditioning systems, etc. In addition, the Company provides comprehensive engineering services, including reviewing and interpreting engineering drawings, system design related to the Company's product line, feasibility studies, inspection, consultations, and proposing appropriate solutions that consider product technology, relevant regulatory requirements, and most importantly, alignment with customers' overall budgets. The Company also provides engineering installation, inspection, repair, and maintenance services to ensure continuous and efficient operation of the engineering systems supplied.

2. Summary of Operating Results

2.1 Nine-month period ended September 30, 2025

	First 9 Month of 2024		First 9 Month of 2025		Change	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Revenue from Sales and Services	682.42	100.00%	633.07	100.00%	(49.35)	-7.23%
Cost from Sales and Services	(492.61)	-72.19%	(451.96)	-71.39%	(40.65)	-8.25%
Gross Profit	189.81	27.81%	181.11	28.61%	(8.69)	-4.58%
Other revenue	2.98	0.44%	2.34	0.37%	(0.64)	-21.52%
Gain (Loss) from fair value measurement of derivative-net	(2.88)	-0.42%	0.76	0.12%	3.63	n/a
Gain on foreign exchange rate – net	4.78	0.70%	0.41	0.06%	(4.37)	-91.47%
Selling expense	(79.68)	-11.68%	(74.17)	-11.72%	(5.51)	-6.92%
Administrative expense	(61.15)	-8.96%	(70.38)	-11.12%	9.23	15.09%
Profit from operating activities	53.85	7.89%	40.07	6.33%	(13.78)	-25.59%
Financial income – interest income	0.53	0.08%	0.52	0.08%	(0.01)	-2.10%
Finance costs	(11.89)	-1.74%	(9.26)	-1.46%	(2.63)	-22.13%
Loss of impairment loss on financial assets	(13.25)	-1.94%	(8.12)	-1.28%	(5.13)	-38.72%
Profit before tax	29.24	4.28%	23.21	3.67%	(6.03)	-20.62%
Tax expense	(4.33)	-0.63%	(4.94)	-0.78%	0.61	14.10%
Profit for the year	24.91	3.65%	18.27	2.89%	(6.64)	-26.66%

- Revenue from Sales and Services

For the first nine-month period of 2025, the Company recorded revenue from sales and services of Baht 633.07 million, representing a decrease of Baht 49.35 million or 7.23 percent compared to the same period of the previous year. The decrease was mainly attributable to a decline in revenue from the Fire Protection and Safety Products group, which dropped by Baht 33.37 million or 14.08 percent, primarily due to lower sales of fire sprinkler heads as several customer projects were delayed from their original schedules.

- Cost and Gross Profit Margin

For the first nine-month period of 2025, the Company's gross profit was Baht 181.11 million, representing a decrease of Baht 8.69 million or 4.58 percent compared to the same period of the previous year. The gross profit margin was 28.61 percent, an increase from 27.81 percent in the same period of the previous year. Despite the overall decline in total revenue, all product groups achieved higher gross profit margins. This improvement was mainly attributable to the higher proportion of valve-related revenue within the HVAC and Sanitary Products group, particularly from newly launched valves that generated higher margins than the Company's main existing brands, whose revenue proportion decreased. In addition, the gross profit margin of the Energy and Environmental Conservation Product and Innovative group also improved, reflecting a higher contribution from the sales and services of Non-Chemical Water-Treatment systems for swimming pools and cooling towers, which have higher margins than the solar installation revenue that declined during the period.

- Selling Expense

For the first nine-month period of 2025, the Company's total selling expenses decreased by Baht 5.51 million, or 6.92 percent, compared to the same period of the previous year. The decrease was mainly attributable to selling expenses relating to lower revenue from sale and service. Key expenses that declined included commission expenses, which decreased by Baht 1.78 million, vehicle fuel and travel expenses, which decreased by Baht 1.30 million, and depreciation expenses, which decreased by Baht 1.22 million following the expiry of certain assets.

- Administrative expense

For the first nine-month period of 2025, the Company's administrative expenses increased by Baht 9.23 million, or 15.09 percent, compared to the same period of the previous year. The increase was mainly attributable to higher professional fees and service expenses which increased by Baht 3.43 million, primarily from hiring of service providers for public relations activities and expenses related to the Company's listing on the Stock Exchange of Thailand. Employee compensation increased by Baht 2.74 million following the annual salary adjustment. Depreciation expenses increased by Baht 1.28 million as the Company invested in additional office assets during 2024.

- Finance costs

For the first nine-month period of 2025, the Company's finance costs decreased by Baht 2.63 million, or 22.13 percent, compared to the same period of the previous year. The decrease was mainly attributable to lower interest rates following the Bank of Thailand's policy rate reduction, as well as a decrease in both long-term and short-term loan outstandings that reached maturity.

- Profit for the Year / Net Profit

For the first nine-month period of 2025, the Company reported a net profit of Baht 18.27 million, representing a net profit margin of 2.87 percent. Net profit decreased by Baht 6.64 million from Baht 24.91 million in the same period of the previous year. The decline was mainly due to lower revenue from sales and services, resulting from postponed product deliveries and project completions, as well as higher administrative expenses, most of which were one-time expenses related to the Company's listing on the Stock Exchange of Thailand.

2.2 Three-month period ended September 30, 2025

	3 rd Quarter of 2024		3 rd Quarter of 2025		Change	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Revenue from Sales and Services	282.24	100.00%	237.54	100.00%	(44.70)	-15.84%
Cost from Sales and Services	(199.50)	-70.68%	(169.02)	-71.15%	30.48	-15.28%
Gross Profit	82.74	29.32%	68.52	28.85%	(14.22)	-17.18%
Other revenue	0.97	0.34%	0.74	0.31%	(0.22)	-23.02%
Gain (Loss) from fair value measurement of derivative – net	(4.17)	-1.48%	0.72	0.30%	4.89	-117.27%
Gain (loss) on foreign exchange rate – net	4.98	1.77%	(0.30)	-0.13%	(5.28)	-106.05%
Selling expense	(27.92)	-9.89%	(25.19)	-10.60%	(2.73)	-9.79%
Administrative expense	(21.78)	-7.72%	(22.82)	-9.61%	1.05	4.80%
Profit from operating activities	34.82	12.34%	21.67	9.12%	(13.15)	-37.76%
Financial income – interest income	0.17	0.06%	0.11	0.04%	(0.06)	-36.61%
Finance costs	(3.97)	-1.41%	(2.81)	-1.18%	(1.15)	-29.10%
Loss of impairment loss on financial assets	(2.56)	-0.91%	(2.61)	-1.10%	0.04	1.67%
Profit before tax	28.46	10.08%	16.36	6.89%	(12.10)	-42.51%
Tax expense	(4.06)	-1.44%	(3.43)	-1.44%	(0.63)	-15.50%
Profit for the year	24.40	8.64%	12.93	5.44%	(11.47)	-47.01%

- Revenue from Sales and Services

For the third quarter of 2025 (Q3/2025), the Company recorded total revenue from sales and services of Baht 237.54 million, representing a decrease of Baht 44.70 million or 15.84 percent compared to the same quarter of the previous year. The decrease was caused by lower revenue from the HVAC and Sanitary System Products group, which declined by Baht 32.09 million or 18.47 percent, due to a decrease in sales of water pumps and large-sized chilled water control valves. In addition, revenue from the Fire Protection and Safety Products group decreased by Baht 11.60 million or 12.25 percent, resulting from lower sales of fire pumps and fire hoses.

- Cost from Sales and Services and Gross Profit

For the third quarter of 2025 (Q3/2025), the Company reported a gross profit of Baht 68.52 million, representing a decrease of Baht 14.22 million or 17.18 percent compared to the same quarter of the previous year, resulting from a decline in sales and service revenue. The gross profit margin was 28.85 percent, decreased from the same period of the previous year. This was mainly due to a lower proportion of high margin products, particularly water pumps for air conditioning system and chilled water control valves for large air conditioning system, while the proportion of copper pipe sales, which have a lower gross margin, increased during the quarter.

- Selling Expense

For the third quarter of 2025 (Q3/2025), the Company's total selling expenses decreased by Baht 2.73 million or 9.79 percent compared with the same quarter of the previous year. This was mainly caused by variable expenses declining in line with lower sales, including the decrease of commission expenses amounted of Baht 1.48 million, sales staff compensation amounted of Baht 0.77 million, and vehicle fuel and domestic travel expenses amounted of Baht 0.46 million.

- Administrative Expense

For the third quarter of 2025 (Q3/2025), the Company's administrative expenses increased by Baht 1.05 million or 4.80 percent compared to the same quarter of the previous year. The increase was mainly attributable to

higher public-relations service fees and expenses related to the Company's listing on the Stock Exchange of Thailand, which rose by Baht 0.99 million.

- **Finance costs**

For the third quarter of 2025 (Q3/2025), the Company's finance costs decreased by Baht 1.15 million or 29.10 percent compared to the same quarter of the previous year. The decrease was attributed to lower interest rates following the Bank of Thailand's policy rate reduction and a reduction in long-term loan outstanding resulting from scheduled repayments in accordance with loan agreements.

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

For the third quarter of 2025 (Q3/2025), the Company recorded a net profit of Baht 12.93 million, representing a net profit margin of 5.41 percent. Net profit decreased by Baht 11.47 million compared to Baht 24.40 million in the same quarter of the previous year. The decrease was preliminary due to delays in certain customer projects and installations, as well as higher administrative expenses, most of which were one-time expenses related to the Company's listing on the Stock Exchange of Thailand.

3. Summary of Financial Position

	December 31, 2024		September 30, 2025		Change	
	THB Mil.	%	THB Mil.	%	THB Mil.	%
Total Asset	772.88	100.00%	748.62	100.00%	(24.26)	-3.14%
Total Liabilities	494.14	63.94%	461.56	61.65%	(32.58)	-6.59%
Total Shareholders' Equity	278.74	36.06%	287.06	38.35%	8.33	2.99%

Asset

As of 30 September 2025, the Company's total assets amounted to Baht 748.62 million, representing a decrease of Baht 24.26 million from 31 December 2024. The decrease was mainly attributable to a reduction in trade and other current receivables by Baht 19.24 million, resulting from customer collections, and a decrease in cash and cash equivalents by Baht 18.79 million, primarily due to payments to trade payables. Key assets comprised trade and other current receivables, inventories, and property, plant and equipment.

Liabilities

As of 30 September 2025, the Company's total liabilities amounted to Baht 461.56 million, accounting for 61.65 percent of total liabilities and shareholders' equity, representing a decrease of Baht 32.58 million from 31 December 2024. The decrease was mainly due to a reduction in trade and other current payables of Baht 21.88 million. Major liabilities included short-term loans from financial institutions, as well as trade and other payables.

Shareholders' Equity

As of 30 September 2025, the Company's total shareholders' equity amounted to Baht 287.06 million, accounting for 38.35 percent of total liabilities and shareholders' equity, representing an increase of Baht 8.33 million from 31 December 2024. The increase was mainly due to net profit of Baht 18.27 million for the nine-month period.

4. Cash Flow Analysis

	9M-2024	9M-2025
	THB mil.	THB mil.
Cash received from (used in) operating activities	54.72	7.68
Cash received from (used in) investing activities	(3.99)	(0.27)
Cash received from (used in) financing activities	(53.07)	(26.20)
Net cash increase (decrease) on financing activities	(2.31)	(18.79)
Cash and cash equivalents, beginning of the year	15.39	27.27
Cash and cash equivalents, ending of the year	13.08	8.48

For the first nine-month period of 2025, the Company's cash and cash equivalents decreased by Baht 18.79 million to Baht 8.48 million as of 30 September 2025, due to the following activities:

- (1) Net cash received from operating activities amounted to Baht 7.68 million. This comprised operating profit before changes in operating assets and liabilities of Baht 52.91 million, net cash used in operating assets of Baht 9.89 million, net cash used in operating liabilities of Baht 18.37 million, and cash used in annual income-tax payments and other items of Baht 16.98 million.
- (2) Net cash used in investing activities was Baht 0.27 million, mainly representing cash outflows for the acquisition of assets, tools, and equipment to support business operations.
- (3) Net cash used in financing activities was Baht 26.20 million, primarily consists of dividend payments and repayments of loan principals and interest related to working capital activities.

5. Key Financial Ratios

	Year ended	First 9M-2025 ended
	December 31, 2024	September 30, 2025
Liquidity Ratios (Times)	1.13	1.15
Average Collection Period (Days)	93	102
Average Inventory Holding Period ¹ (Days)	128	144
Average Payment Period (Days)	54	67
Cash Cycle (Days)	167	179
Return on Equity (ROE) (%)	15.50%	8.61%
Return on Assets (ROA) (%)	5.46%	3.20%
Debt-to-Equity Ratio (Times)	1.77	1.61

Remark: ¹Excluding Goods in Transit