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Subject Management Discussion and Analysis for the Company's Operating Results for
Q1 FY2026

To The President and Secretary-General, The Stock Exchange of Thailand

Navanakorn Public Company Limited and its subsidiaries report the following operating results for the first quarter of fiscal year 2026 (Q1 FY2026):

Economic and Industry Overview

Thailand's overall economy in Q1 FY2026 continued to navigate volatility arising from both domestic and external factors, including U.S. trade policy measures, geopolitical uncertainties, and the industrial sector's ongoing transition toward digital technology and automation. Nevertheless, exports and industrial production continued to expand as manufacturers front-loaded shipments ahead of potential tariff increases, and foreign direct investment (FDI) maintained its steady inflow particularly in the digital, electronics, and automotive industries.

The Board of Investment (BOI) reported that investment promotion applications in Q1 FY2026 totalled 624 projects with a combined investment value of THB 1,016,962 million, representing a 2.4-fold increase year-on-year. The digital/AI and electronics industries led investment activity, followed by clean energy, agriculture and food, and logistics. Singapore, the United Kingdom, and Japan ranked as the top three investing countries, underscoring investor confidence in Thailand as a high-technology industrial investment hub.

Business Overview

History and Vision

Navanakorn Public Company Limited was founded on 26 March 1971 as the developer of Thailand's first industrial promotion zone, located in Tambon Khlong Nueng, Amphoe Khlong Luang, Pathum Thani Province, along Highway 1 (Phahonyothin Road) at Kilometre 46. The Pathum Thani estate encompasses approximately 6,485 rai (roughly 2,600 acres) divided into industrial, residential, commercial, free-trade, utility, and green-space zones. The Company has further expanded into "Navanakorn Industrial Estate (Nakhon Ratchasima)" on 1,903 rai along Friendship Highway (Mitraparb Road) at Kilometre 231, Nakhon Ratchasima Province.

The Company converted to a public company on 31 October 2002 and listed on the Stock Exchange of Thailand on 24 May 2004. Its current registered and paid-up capital stands at THB 2,048,254,862, represented by 2,048,254,862 ordinary shares at a par value of THB 1 per share.

Vision: City of Industrial Innovation

Four Strategic Pillars

- **Infrastructure & Industrial Estate Development** Expand industrial estate capacity to attract both domestic and international investment; upgrade utilities including electricity, water supply, wastewater treatment, and waste management to modern standards.
- **Technology & Innovation** Deploy digital technologies and intelligent systems (Smart Life platform) across the estate; leverage AI and automation to enhance operational efficiency for tenant manufacturers.
- **Investment Attraction** Promote investment from Thai and foreign investors through BOI incentive programmes; strengthen collaboration with government agencies and private-sector partners.
- **Sustainability & Environment** Prioritise clean energy (Solar Cell installations); implement efficient waste management; reduce greenhouse gas emissions; advance CSR programmes benefiting surrounding communities.

Business Structure and Associated Companies

The Company holds investments in associated entities that provide supporting services to industrial estate tenants, including:

- Navanakorn Electricity Generating Company Limited (NNEG) A Small Power Producer (SPP) using natural gas with a total installed capacity of 185 MW and 40 tons/hour of steam. The Company holds a 29.99% stake. The Phase 3 capacity expansion commenced commercial operations on 1 April 2026.
- REN Korat Energy Company Limited (REN) A combined-cycle power plant in Nakhon Ratchasima. The Company holds a 35% stake.
- Thaithanant Company Limited — An internet service provider within the industrial estate. The Company holds a 51% stake.
- Subsidiaries in Nakhon Ratchasima: 9 Smart Residence (dormitory), 9 Smart Development (residential), 9 Fresh Marketplace (market), 9 Hotel & Service (hotel), and Navanakorn Development (warehouse).

Sustainability Development Policy (ESG)

Navanakorn Public Company Limited conducts its business in accordance with ESG principles in a concrete and measurable manner. Key objectives and initiatives are as follows:

Environmental Dimension

- Installed solar photovoltaic (Solar PV) systems at multiple locations within the industrial estate to reduce energy costs and promote the use of clean energy.
- Upgraded the centralised wastewater management and treatment system, ensuring zero discharge of wastewater outside the estate boundary.
- Maintained and developed green spaces within the industrial estate to promote a healthy and sustainable environment.
- Committed to reducing greenhouse gas emissions in alignment with Sustainable Development Goals (SDGs).

Governance Dimension

- Conducts business with transparency, fairness, and strict adherence to corporate governance principles across all operational processes.
- Maintains an anti-corruption policy and actively promotes ethical business conduct throughout the organisation.
- The Audit Committee, Risk Management Committee, and Corporate Governance and Sustainability Committee operate with full independence.

Q1 Operating Results — Period Ended 31 March 2026

Operating Results for Q1 FY2026 Compared with Q1 FY2025 (Consolidated Financial Statements)

- Total revenues of THB 212.26 million, a decrease of 15% year-on-year.
- Operating profit of THB 70.58 million, a decrease of 36%.
- Net profit for the period of THB 61.31 million, a decrease of 33%.
- Basic earnings per share of THB 0.03 per share.

	Q1 FY2026 (MTHB)	Q1 FY2025 (MTHB)	Change (MTHB)	%
Total Revenues	212.26	250.49	(38.23)	(15)
Total Expenses	141.68	141.06	0.62	0.4
Operating Profit	70.58	109.43	(38.85)	(36)
Share of Profit from JV	2.86	3.80	(0.94)	(25)
Profit Before Income Tax	73.28	113.06	(39.78)	(35)
Income Tax Expense	11.97	21.53	(9.56)	(44)
Net Profit for the Period	61.31	91.53	(30.22)	(33)
Earnings Per Share (THB)	0.03	0.04	-	-

Revenue Analysis

Real Estate Sales Revenue

The Company recorded no real estate sales revenue in Q1 FY2026, representing a decline of THB 44 million (100%) compared with Q1 FY2025. No transfer of title to land or structures took place during the quarter at either the Pathum Thani or Nakhon Ratchasima industrial estates.

Service Revenue

Service revenue the primary revenue stream, representing 81% of total revenues amounted to THB 171.39 million in Q1 FY2026, an increase of THB 8.89 million or 5% from THB 162.50 million in Q1 FY2025. Revenue from utilities, water supply, and estate management services grew in line with an expanded tenant base and higher consumption volumes.

Land Use, Infrastructure, and Other Revenue

Land use and infrastructure revenue amounted to THB 16.35 million (8% of total revenues), a slight decline of THB 0.62 million or 4%. Rental revenue was THB 9.40 million, down THB 0.65 thousand or 6%. Government subsidy revenue was THB 5.16 million, down THB 0.69 thousand or 12%.

Revenue Breakdown by Category (Consolidated Financial Statements)

Revenue Items	Q1 FY2026 (MTHB)	Q1 FY2025 (MTHB)	Change (MTHB)	%
Real Estate Sales Revenue	-	44.00	(44.00)	(100)
Service Revenue	171.39	162.50	8.89	5
Rental Revenue	9.40	10.05	(0.65)	(6)
Government Subsidy Revenue	5.16	5.85	(0.69)	(12)
Land Use & Infrastructure Revenue	16.35	16.97	(0.62)	(4)
Other Revenue	9.96	11.12	(1.16)	(10)
Total Revenues	212.26	250.49	(38.23)	(15)

Expense Analysis

Cost of Services

Cost of services in Q1 FY2026 was THB 87.14 million (48% of total revenues), an increase of THB 8.20 million or 10% from THB 78.94 million in Q1 FY2025. The increase reflects higher utility costs, infrastructure maintenance expenses, and estate operating costs, consistent with the growth in service revenue.

Distribution Costs

Distribution costs decreased from THB 7.06 million to THB 2.11 million , a decline of THB 4.95 million or 70%, in line with the absence of real estate sales revenue during the quarter.

Administrative Expenses

Administrative expenses were THB 52.43 million , a decrease of THB 1.70 million or 3% from the prior year, reflecting effective overhead cost control.

Expense Breakdown (Consolidated Financial Statements)

Expense Items	Q1 FY2026 (MTHB)	Q1 FY2025 (MTHB)	Change (MTHB)	%
Cost of sale of real estate	-	0.93	(0.93)	100
Cost of Services	87.14	78.94	8.20	10
Distribution Costs	2.11	7.06	(4.95)	(70)
Administrative Expenses	52.43	54.13	(1.70)	(3)
Total Expenses	141.68	141.06	0.62	0.4

Net Profit

Consolidated net profit for Q1 FY2026 was THB 61.31 million, a decrease of THB 30.22 million or 33% from THB 91.53 million in Q1 FY2025. The decline was driven by three principal factors: (1) the absence of real estate sales revenue, which contributed THB 44 million in the prior year; (2) a 10% increase in cost of services; and (3) a 25% reduction in share of profit from joint ventures (NNEG and REN).

The Company nonetheless remained profitable, and core service revenue — the recurring revenue base — grew by 5%, demonstrating the underlying strength of the business. On a separate financial statement basis, net profit was THB 41.41 million, a decrease of 53% year-on-year, primarily due to an impairment loss on investment in joint ventures of THB 17.74 million, which has no impact on the consolidated financial statements.

Financial Position

Comparison: 31 March 2026 vs. 31 December 2025 (QoQ)

Unit: MTHB	31 March 2026	31 December 2025	Change (MTHB)	%
Current Assets	1,987.57	1,947.16	40.41	2
Non-Current Assets	3,035.55	3,033.65	1.90	0.1
Total Assets	5,023.12	4,980.81	42.31	1
Current Liabilities	430.80	426.14	4.66	1
Non-Current Liabilities	684.15	707.81	(23.66)	(3)
Total Liabilities	1,114.95	1,133.95	(19.00)	(2)
Shareholders' Equity	3,908.17	3,846.86	61.31	2

Assets

As of 31 March 2026, consolidated total assets were THB 5,023.12 million, an increase of THB 42.31 million or 1% from 31 December 2025. Current assets rose by THB 40.41 million or 2%, supported by positive operating cash flows. Non-current assets increased marginally by THB 1.90 million or 0.1%. On a YoY basis, total assets increased by THB 97.17 million or 2% from 31 March 2025.

Liabilities

As of 31 March 2026, consolidated total liabilities were THB 1,114.95 million, a decrease of THB 19 million or 2% from 31 December 2025. Non-current liabilities declined by THB 23.66 million or 3% as scheduled long-term loan repayments were made, reflecting a strong capital structure. The D/E Ratio as of 31 March 2026 was 0.29 times, stable compared with 0.28 times as of 31 March 2025.

Shareholders' Equity

As of 31 March 2026, consolidated shareholders' equity was THB 3,908.17 million, an increase of THB 61.31 million or 2% from 31 December 2025, attributable to retained earnings generated during Q1 FY2026.

Cash Flows

Consolidated cash flows from operating activities in Q1 FY2026 were THB 88.36 million, remaining positive and reflecting the Company's ability to generate cash from core operations. The comparison with full-year FY2025 of THB 296.33 million is expected given the seasonal nature of quarterly cash generation. Cash used in investing activities was THB (40.98) million, reflecting capital expenditure on fixed assets and utility infrastructure. Cash used in financing activities was THB (12.89) million, primarily from long-term debt repayments. As a result, cash and cash equivalents as of 31 March 2026 stood at THB 340.53 million.

Unit: MTHB	Q1 FY2026	FY2025 (Full Year)	Change (MTHB)	%
Cash Flows from Operating Activities	88.36	296.33	(207.97)	(70)
Cash Flows from Investing Activities	(40.98)	(241.30)	200.32	(83)
Cash Flows from Financing Activities	(12.89)	(13.13)	0.24	(2)
Cash and Cash Equivalents at End of Period	340.53	397.46	(56.93)	(14)

Significant Factors and Events Affecting Financial Position and Operations

- Commencement of commercial operations for the NNEG Phase 3 capacity expansion on 1 April 2026 — This increases generating capacity and revenue for NNEG, which will positively affect the Company's share of profit from joint ventures in subsequent quarters.
- Ongoing utility system upgrades within the industrial estate — These enhance tenant capacity and elevate service quality standards.
- Absence of real estate sales revenue in Q1 FY2026 — This was the primary driver of the year-on-year net profit decline, reflecting the project-based and lumpy nature of land transfer revenue.
- Impairment loss on investment in joint ventures of THB 17.74 million (separate financial statements only) — This affected net profit on the separate basis but has no impact on the consolidated financial statements.

- Continued FDI inflows into Thailand, particularly in the digital and electronics industries — This represents an opportunity for future land sales and tenant base expansion.

Key Financial Ratios

Financial Ratio	Q1 FY2026	Q1 FY2025
D/E Ratio (times)	0.29	0.28
Gross Profit Margin — Services (%)	51.8%	54.3%
Operating Profit Margin (%)	33.3%	43.7%
Net Profit Margin (%)	28.9%	36.5%
Earnings Per Share (THB)	0.03	0.04
EBITDA (THB Million)	102	137
Return on Equity — ROE (%)	1.6%	2.4%
Return on Assets — ROA (%)	1.2%	1.9%

Please be informed accordingly.

Yours faithfully,

Navanakorn Public Company Limited



(Mr. Pojana Saithong)

Chief Financial Officer