

TRANSLATION

TTCL PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

1. Operating Performance for the period ended 30 June 2025

For the period ended 30 June 2025, the Company reported a gross loss of THB -317 million, representing a 185% year-over-year decrease. This was primarily attributable to costs related to projects for which the Company terminated EPC contracts during the second quarter of 2025, and which are currently subject to litigation to recover compensation for the work performed.

The net loss for the period was THB -1,851 million, which attributed to the Company at THB -1,793 million with earnings loss of THB -2.91 per share.

2. Management Discussion and Analysis Report according to consolidated financial statements

For the Six-month period ended

(Unit: Million Baht)

	30-Jun-25		30-Jun-24		Change
Revenues from construction and service	3,699.66	98%	10,965.20	100%	-66%
Revenues from operating the power plant	29.13	1%	30.85	0%	-6%
Revenue from sale	29.82	1%	7.17	0%	316%
Total revenues	3,758.61	100%	11,003.22	100%	-66%
<u>Less</u> Cost of construction and services (EPC)	(4,051.54)	108%	(10,602.89)	96%	-62%
<u>Less</u> Cost of operating the power plant	(2.30)	0%	(4.32)	0%	-47%
<u>Less</u> Costs of goods sold	(21.82)	1%	(22.69)	0%	-4%
Total Costs	(4,075.66)	108%	(10,629.90)	97%	-62%
Gross / (Loss) profit	(317.04)	-8%	373.32	3%	-185%
<u>Add</u> Other income	126.55	3%	67.90	1%	86%
<u>Less</u> Expected credit losses	(1,335.47)	36%	(4.70)	0%	28,296%
<u>Less</u> Administrative Expenses	(312.20)	8%	(333.21)	3%	-6%
<u>Add/(Less)</u> Gain (Loss) on exchange rate, net	58.75	2%	(11.98)	0%	591%
<u>Add</u> Share of Profit / (Loss) of Joint venture	43.00	1%	102.18	1%	-58%
Profit / (Loss) before Financial Cost and Income Tax	(1,736.42)	-46%	193.51	2%	-997%
<u>Less</u> Financial Costs	(76.55)	2%	(92.65)	1%	-17%
Profit / (Loss) before Income Tax	(1,812.96)	-48%	100.86	1%	-1,898%
Income tax benefit (expenses)	(38.09)	1%	8.57	0%	-544%

Net profit / (loss) for this period	(1,851.05)	-49%	109.43	1%	-1,792%
Other comprehensive income (loss)					
Item to be reclassified subsequently to profit or loss	(144.59)	4%	355.19	3%	-141%
Translation adjustment on foreign currency financial statements					
Total comprehensive income / (loss) for the period	(1,995.64)	-53%	464.62	4%	-530%
Profit / (Loss) attributable to:					
Owners of the parent	(1,792.77)		116.34		
Non-controlling interests	(58.29)		(6.91)		
	(1,851.05)		109.43		
Basic earnings / (loss) per share (THB)	(2.91)		0.19		

2.1 Analysis of Revenues, Costs and Expenses

2.1.1 Revenues

Total Revenues recorded at THB 3,759 million, decreased -66% when compare to the same period last year.

Revenues	30-Jun-25	30-Jun-24	Change
Revenue from construction and service	3,699.66	10,965.20	-66%
Revenue from operation power plant	29.13	30.85	-6%
Revenue from sales	29.82	7.17	316%
Total Revenues	3,758.61	11,003.22	-66%

- EPC Businesses

Revenue from construction and service (EPC) declined by 66% to THB 3,700 million, due to a reduction in backlog following the completion of project which had been delivered to clients over the past year. In addition, the Company was awarded fewer new EPC contracts than anticipated in the previous year.

- Power Plant Businesses

Revenue from operation and maintenance of power plant decreased by 6% to THB 29 million, mainly due to the impact of exchange rate fluctuations.

- Bio Pellets Businesses

Revenue from sale increased by 316% to THB 30 million, due to higher sales of Black Pellets during the period.

2.1.2 Costs & Gross Profit

Gross Profit Comparison

30-Jun-25	Revenue	Cost	Gross profit
EPC construction	3,699.66	(4,051.54)	(351.88)
Operation and maintenance of power Plant	29.13	(2.30)	26.83
Sale of goods	29.82	(21.82)	8.00
Total	3,758.61	(4,075.66)	(317.04)

The gross loss comprised THB -352 million from construction and service (EPC), THB 27 million from operation and maintenance of the power plant, and THB 8 million from the sale of goods (Black Pellet). The overall gross margin for the period was -8%, compared to 3% in the same period last year, primarily due to costs associated with the terminated projects.

2.1.3 Other Income / Gain on Exchange Rate

- Other Income increased by 86% to THB 127 million mainly due to the insurance claim related to the EPC project in Vietnam, which was impacted by Typhoon Yagi in September 2024.
- Gain on Exchange Rate was THB 59 million mainly due to an unrealized gain from the appreciation of THB against the USD.

2.1.4 Expected Credit Losses / Administrative Expenses

- Expected credit losses increased to THB 1,335 million, mainly due to the recognition of an allowance for expected credit losses from the terminated projects.
- Administrative expenses decreased by 6% to THB 312 million, mainly due to the company's reduction in regular expenses.

2.1.5 Share of Profit of Joint Venture

Share of profit from the joint venture in TTGP decreased by 58% to THB 43 million, as the power plant in Myanmar was partially shut down due to a severe grid outage.

2.1.6 Finance Cost and Income Tax Expenses

Finance cost for the period decreased by 17% to THB 77 million. Income tax expenses for the period was recorded at THB 38 million.

3. Analysis of Financial Status

3.1 Analysis of Assets

Figures in THB Million	30-Jun-25	31-Dec-24	Increase/(Decrease)	% Change
Current assets	10,041.68	14,111.45	(4,069.76)	(28.84%)
Non-current assets	5,468.06	4,968.58	499.48	10.05%
Total assets	15,509.75	19,080.03	(3,570.28)	(18.71%)

As of 30 June 2025, Total Assets were THB 15,510 million, decreased by 19% compared with the end of last year.

Total Current Assets decreased by THB 4,070 million or 29%; major movement as the following items:

- Cash and cash equivalents decreased by THB 1,231 million.
- Trade accounts receivable – general customers decreased by THB 883 million.
- Contract assets - general customers decreased by THB 2,165 million, mainly due to the recognition of an allowance for expected credit losses from the terminated projects and projects with long-outstanding balances.

Total Non-Current Assets slightly increased by THB 500 million or 10%; major movement as the following items:

- Reclassification on restricted deposit with bank of the Joint Venture Company of THB 546 million to Non-Current Assets.
- Retention decreased by THB 114 million mainly due to the recognition of an allowance for expected credit losses from the terminated projects.
- Property, plant and equipment increased by THB 111 million from the investment in Black Pellet business.

3.2 Analysis of Liabilities and Shareholders' Equity

Figures in THB Million	30-Jun-25	31-Dec-24	Increase/(Decrease)	% Change
Current Liabilities	12,459.69	14,112.50	(1,652.80)	(-11.71%)
Non-Current Liabilities	2,283.69	2,205.52	78.17	3.54%
Total Liabilities	14,743.38	16,318.02	(1,574.64)	(-9.65%)
Shareholders' equity	766.37	2,762.01	(1,995.64)	(-72.25%)
Total Liabilities and shareholders' equity	15,509.75	19,080.03	(3,570.28)	(-18.71%)

As of 30 June 2025, Total Liabilities were THB 14,743 million, decreased by 10% compared with the end of last year.

Total Current Liabilities decreased by THB 1,653 million or 12%; major movement as the following items:

- Other payable – related parties increased by THB 546 million due to the Company's repayment obligation on restricted deposit with bank to the Joint Venture Company.
- Accrued construction costs and Advance received from customers – general suppliers decreased by THB 1,935 million and THB 416 million respectively.

Total Non-Current Liabilities increased by THB 78 million or 4% mainly from re-classification of the period of debenture of THB 221 million to the current portion and the issuance of debenture of THB 306 million during the first quarter of 2025.

Shareholder's equity was THB 766 million or decreased by 72%. The Shareholders' Equity Opening balance as of the beginning of the year was THB 2,762 million, effect from change in equity of the period consists of 1) Loss for the period of THB 1,851 million, 2) Other comprehensive loss for the period of THB 145 million Therefore, the Closing Balance of Shareholders' Equity as of 30 June 2025 were THB 766 million.

4. Major Financial Measures

4.1. Profitability Ratios	30-Jun-25	30-Jun-24	Favorable/Unfavorable
4.1.1. Gross (Loss) profit margin	(8.44%)	3.39%	Unfavorable
4.1.2. Net profit (Loss) margin	(49.25%)	0.99%	Unfavorable
4.1.3. Times Interest Earned ratio	(22.68)	2.09	Unfavorable
4.1.4. Earnings (Loss) per share	(2.91)	0.19	Unfavorable

4.2. Leverage Ratios	30-Jun-25	31-Dec-24	Favorable/Unfavorable
4.2.1. Current ratio	0.81	1.00	Unfavorable
4.2.2. Debt/Equity ratio	19.24	5.91	Unfavorable
4.2.3. Interest-Bearing Debt/Equity ratio	4.65	1.32	Unfavorable

4.3. Shareholders Value Ratios	30-Jun-25	30-Jun-24	Favorable/Unfavorable
4.3.1. Net Book Value	1.24	5.99	Unfavorable
4.3.2. Return on total assets	(11.93%)	0.51%	Unfavorable
4.3.3. Return on equity	(241.54%)	2.96%	Unfavorable