

August 14, 2025

Subject: Management discussion and analysis (MD&A) of operating results for the second quarter ended June 30, 2025

To President

The Market for Alternative Investment (MAI)

Kumwell Corporation Public Company Limited ("company") would like to submit MD&A of operating results for the second quarter ended 30 June 2025, with details as follows:

- 1 Overview of business operations, economic conditions, and industry factors affecting.
- 2 Summary of Q2'25 Key Events and Developments.
- 3 Summary of Operating Results.
- 4 Summary of Financial Position.
- 5 Factors That May Affect Operations or Future Growth.
- 6 Sustainability Development.
- 7 Q3'25 Key Campaign and Promotion.

Company Operations

The operations of Kumwell Corporation Public Company Limited have shown a slight recovery, supported by measures to reduce interest rates aimed at stimulating economic growth and mitigating the risk of recession, as well as from internal cost-control management and the reduction of reliance on external financing sources. Nevertheless, economic growth remains under pressure from several factors, such as exchange rate volatility, which may result in foreign exchange gains or losses when the exchange rate on the date of recording a purchase or sale transaction for goods/raw materials differs from that on the date of receipt or payment. To mitigate such risks, in the event of significant currency fluctuations, the Company has opened a Foreign Currency Deposit (FCD) account to reduce the exchange rate spread between buying and selling rates and to enhance financial flexibility, thereby minimizing the potential impact from uncertainties. This is a manageable risk, enabling the Company to forecast foreign currency revenues more accurately.

Other factors include interest rates that remain relatively high compared to historical averages, alongside the substantial debt burdens of both the public and private sectors, U.S. economic policies following the re-election of Donald Trump as President, the slowdown in China's economy, and geopolitical tensions in the Middle East and the Russia-Ukraine war, which could lead to supply chain disruptions and energy crises. Additionally, the economic divide led by the U.S. and China, through escalating tariff and non-tariff barriers, may trigger a new round of trade wars and reinforce the trend of deglobalization, thereby creating ripples that could affect global trade, investment, and overall economic activity, and potentially dampen the purchasing power of overseas customers.

Despite these challenges, Kumwell Corporation remains committed to its expansion plans and will continue to accelerate the development of online distribution channels to meet the needs of consumers in the digital era. These channels will enable the Company to disseminate information widely, facilitate easier and more convenient communication, and improve consumer access to diverse communication technologies, new communication platforms, advertising, and public relations. However, manufacturers and distributors continue to face risks from persistently high labor and transportation costs, as well as competitive pressures from imported products—particularly from China and Vietnam—that enjoy price advantages (source: Krungsri Research).

2 Summary of Q2'25 Key Events and Developments

Launching Event on Electrical Design and Installation Management

On June 19, 2025, Mr. Boonsak Kiatjaroonlert, Chief Executive Officer of Kumwell Corporation Public Company Limited, in his capacity as President of the ASEAN Electrical Contractors Federation and President of the Asia-Pacific Electrical Contractors Federation, was honored to serve as a guest speaker at the launch event for the book *Electrical Design and Installation Management*.



He also participated in an academic panel discussion on the topic *Engineering Standards and Quality for Sustainable Engineers and Thailand*, sharing his perspectives on elevating the engineering profession, developing electrical installation works to meet recognized standards, and fostering long-term safety in the nation's infrastructure.

Kumwell remains committed to driving safety innovation with internationally recognized standards and serving as a key supporter in advancing the Thai engineering industry toward stable and sustainable growth.

Establishment of a New Subsidiary

On May 27, 2025, the Company established a new subsidiary, CTA Engineering and Solutions Co., Ltd. (CTA-ES), to expand its capabilities in providing Total Engineering Solutions and comprehensive Smart Water Resource Management Technologies. This initiative aims to support the growth of modern industries both domestically and regionally.



The newly established subsidiary has been designated to undertake the design, procurement, construction, testing, and commissioning of MEP works for sluice gates, pumping stations, and control buildings, as part of the Laem Chabang Port Phase 3 Development Project under the Port Authority of Thailand. The Laem Chabang Port Development Project is a key component of the Eastern Economic Corridor (EEC) development, designed to enhance transport connectivity to CLMV countries (Cambodia, Lao PDR, Myanmar, and Vietnam) and southern China, with a handling capacity of no less than 18 million TEUs per year.

CTA Engineering and Solutions Co., Ltd. commenced the project in June 2025 and is expected to complete it in 202


Performance Summary

Consolidated Financial Statements								
Statements of Comprehensive Income	For the second quarter				For the period of Six months			
	Q2 2025	Q2 2024	Inc. (Dec)		2025	2024	Inc. (Dec)	
			MB.	%			MB.	%
Revenue	140.5	142.3	- 1.8	-1.3%	283.1	272.7	10.4	3.8%
Cost of sales and services	85.0	83.2	1.8	2.1%	168.9	161.2	7.6	4.7%
Gross profit	55.5	59.1	- 3.6	-6.1%	114.3	111.4	2.8	2.5%
Selling and distribution expenses	11.5	11.2	0.2	2.0%	21.9	22.9	- 1.0	-4.5%
Administrative expenses	29.1	27.5	1.6	5.6%	58.3	54.4	3.9	7.1%
Total Selling and Administrative Expenses	40.5	38.7	1.8	4.6%	80.2	77.3	2.9	3.7%
EBITDA	22.6	28.0	- 5.4	-19.1%	49.3	49.3	0.1	0.1%
EBIT	15.0	20.4	- 5.4	-26.5%	34.1	34.1	- 0.1	-0.1%
Finance costs	2.7	3.7	- 1.0	-26.2%	5.1	6.8	- 1.7	-24.4%
EBT	12.4	16.8	- 4.4	-26.3%	29.1	27.4	1.7	6.1%
Income tax expense	3.0	3.6	- 0.6	-16.3%	6.6	5.6	1.0	18.0%
Net profit	9.4	13.2	- 3.8	-29.0%	22.5	21.8	0.7	3.1%


Revenue Performance

In the second quarter of 2025, revenue totaled THB 140.5 million, representing a decrease of THB 1.8 million or 1.3% from the same period of the previous year. The primary factor was a decline in domestic revenue of THB 12.4 million or 10.7%, attributable to customers placing purchase orders in the first quarter of 2025 in line with their sales targets. In addition, other income decreased by THB 0.8 million, mainly due to increased exchange rate volatility, driven by monetary policy developments in major economies such as the United States and heightened geopolitical risks in various regions. To mitigate these impacts, the Company has implemented risk management measures by opening a Foreign Currency Deposit (FCD) account to reduce the exchange rate spread between buying and selling rates.

For the first six months of 2025, revenue totaled THB 283.1 million, an increase of THB 10.4 million or 3.8% compared to the same period of the previous year. The key driver was a THB 9 million increase in overseas customer sales, rising from THB 36.4 million in the first half of 2024 to THB 46.4 million in the first half of 2025. This growth was the result of securing contracts early in the year to maintain agency representation, which led to increased purchase orders in line with agreed targets. Additionally, service income increased by THB 20 million compared to the same period last year, representing another significant contributor to overall revenue growth.


Gross Profit Margin

In the second quarter of 2025, the gross profit margin was 39.5%, representing a decrease of 6.1 percentage points from the same period last year. The primary reason was the decline in the gross profit percentage during the quarter.

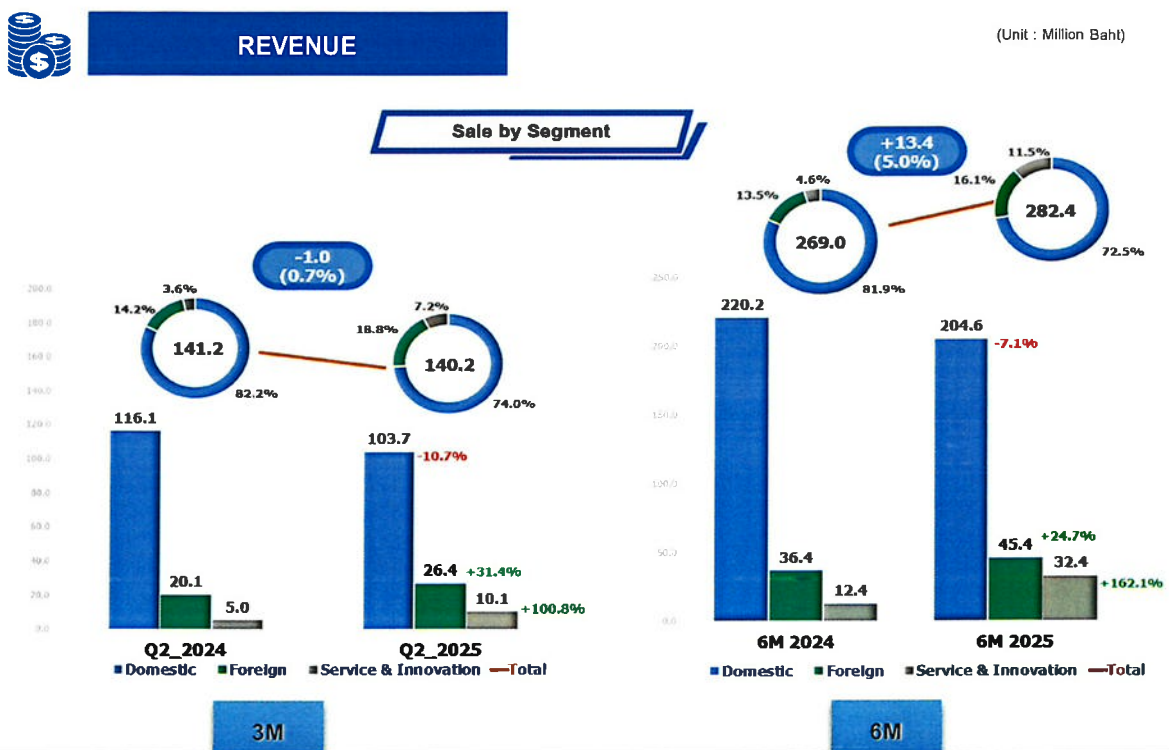


For the first six months of 2025, the gross profit margin was 40.4%, a decrease of 2.5 percentage points from the same period of the previous year, mainly due to the increase in raw material costs.

Net Profit

In the second quarter of 2025, net profit totaled THB 9.4 million, a decrease of THB 3.8 million or 29.1% compared to the same period of the previous year. The decline was primarily due to lower domestic revenue and higher administrative expenses, particularly foreign exchange losses resulting from economic volatility.

For the first six months of 2025, net profit was THB 22.5 million, representing an increase of 3.1% compared to THB 21.8 million in the same period of the previous year. The increase was mainly driven by higher overseas sales and service income from additional project-based work.



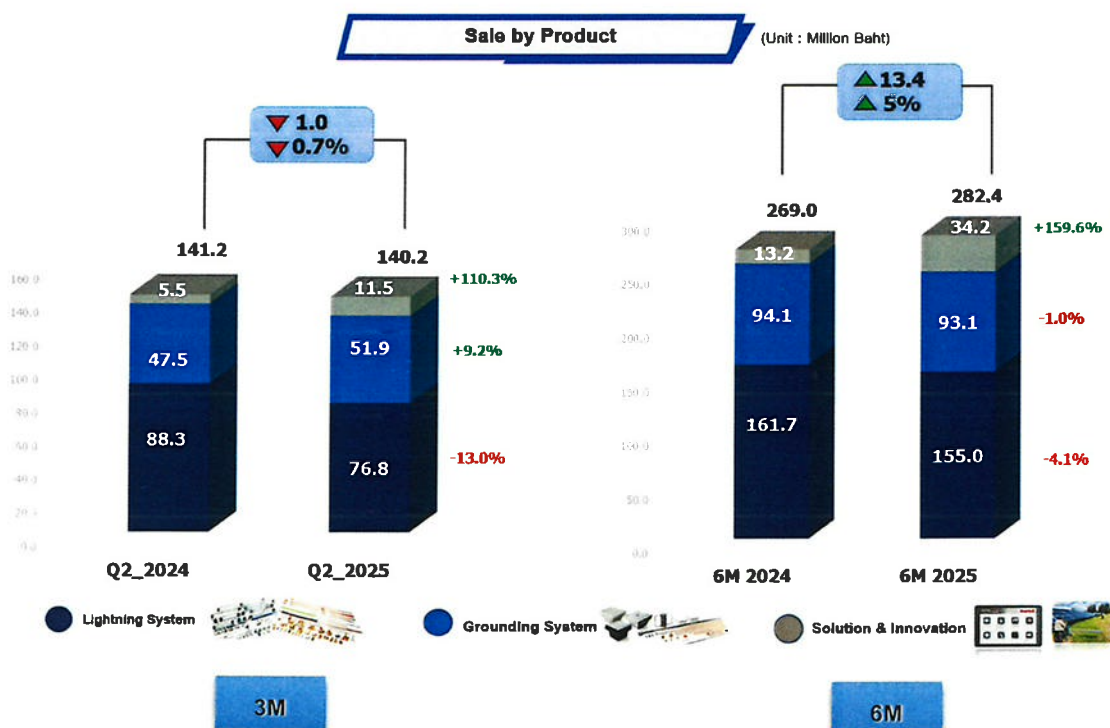
In the second quarter of 2025, revenue totaled THB 140.2 million, representing a decrease of THB 1.0 million or 0.7% compared to the same period of previous year.

⚠ Domestic customers: Revenue decreased by THB 12.4 million or 10.7%, as customers had set their sales targets and placed advance orders in the first quarter of 2025, followed by the delivery of existing stock. Nevertheless, the Company implemented sales promotion activities through *Kumwell Special Talk*

For the six months of 2025, revenue totaled THB 282.4 million, increase by THB 13.4 million or 5.0% compared to the same period of the previous year.

⬆ Service and innovation revenue: Increased by THB.20 million from the same period of previous year from THB. 12.4 million to THB. 32.4 million. From the survey and comprehensive improvement works on the lightning protection system installation, the Company also secured projects related to motor control panels for

<p>livestreamed on Facebook, where viewers could participate in prize giveaways at the end of the program.</p> <p>📈 Overseas customers: Revenue increased by THB 6.3 million or 31.4%, driven by the Company's proactive strategy to expand in international markets. The sales team worked closely with customers to analyze demand in advance and plan systematic deliveries.</p> <p>📈 Service and innovation revenue: Increased by THB 5.1 million, from THB 5.0 million in the same period last year to THB 10.1 million, following approval from government agencies to proceed with improvement works under the proposed projects</p>	<p>water pumps, which have been approved by government agencies under the proposed projects.</p> <p>📈 Overseas customers: Revenue increased by THB 9.0 million or 24.7%, driven by orders of Powder products, as competing products imported from China frequently faced quality issues. Additionally, the Company supplied SPD products for the oil and gas industry, which were selected based on their ATEX certification, meeting the safety requirements for explosive-risk areas.</p> <p>📉 Domestic customers: Revenue decreased by THB 15.6 million or 7.1%, as customers had set sales targets and placed advance orders in the first quarter of 2025.</p>
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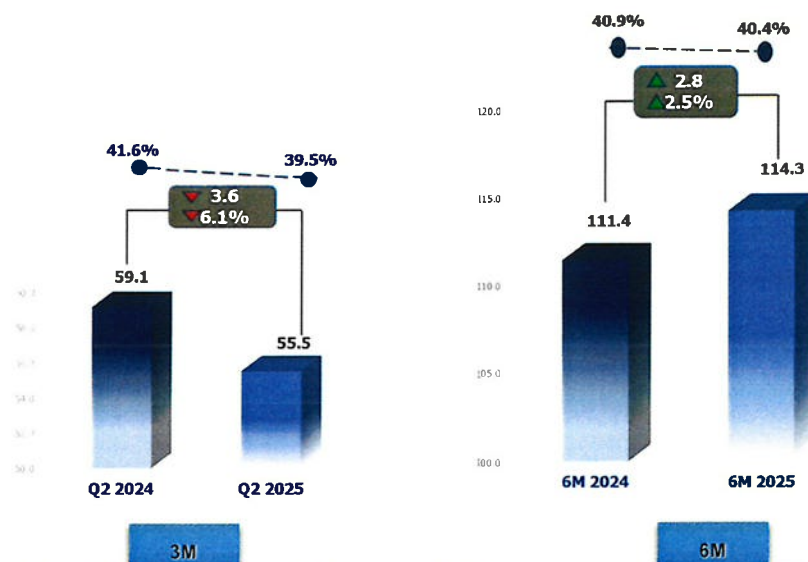
<p>In the second quarter of 2025, revenue totaled THB 140.2 million, representing a decrease of THB 1.0 million or 0.7% compared to the same period of the previous year. The main contributing factors were as follows:</p>	<p>Revenue for the first six months of 2025 amounted to THB 282.4 million, an increase of THB 13.4 million or 5.0% compared to the same period last year. The growth was mainly driven by:</p>
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<p>⬇️ Lightning Protection System: Revenue decreased by THB 11.5 million or 13.0%, as several projects were nearing completion, resulting in lower order volumes. Nevertheless, the Company launched a promotional campaign for its intelligent surge protection solutions (SLMS), covering all electrical and communication systems in homes, buildings, factories, and communication stations.</p> <p>⬆️ Grounding System: Revenue increased by THB 4.4 million or 9.2%, due to higher orders in both product supply and project execution.</p> <p>⬆️ Services and Innovations: Revenue rose by THB 6.0 million, from THB 5.5 million in the same period last year to THB 11.5 million, following approval from government agencies to proceed with project improvement works as proposed.</p>	<p>⬆️ Service and Innovation Revenue, which increased by THB 21.1 million, from THB 13.2 million in the same period last year to THB 34.2 million, due to government approvals for survey and system improvement projects.</p> <p>⬇️ Lightning Protection System Revenue, which decreased by THB 6.7 million or 4.1%, as customers reduced orders due to prior purchases made in Q1 2025.</p> <p>⬇️ Grounding System Revenue, which declined slightly by THB 1.0 million or 1.0%, compared to the same period last year. However, the company launched a promotional campaign for its complete, easy-to-install, and internationally standard-compliant Kumwell Grounding Box Set solution.</p>
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GROSS PROFIT

(Unit : Million Baht)

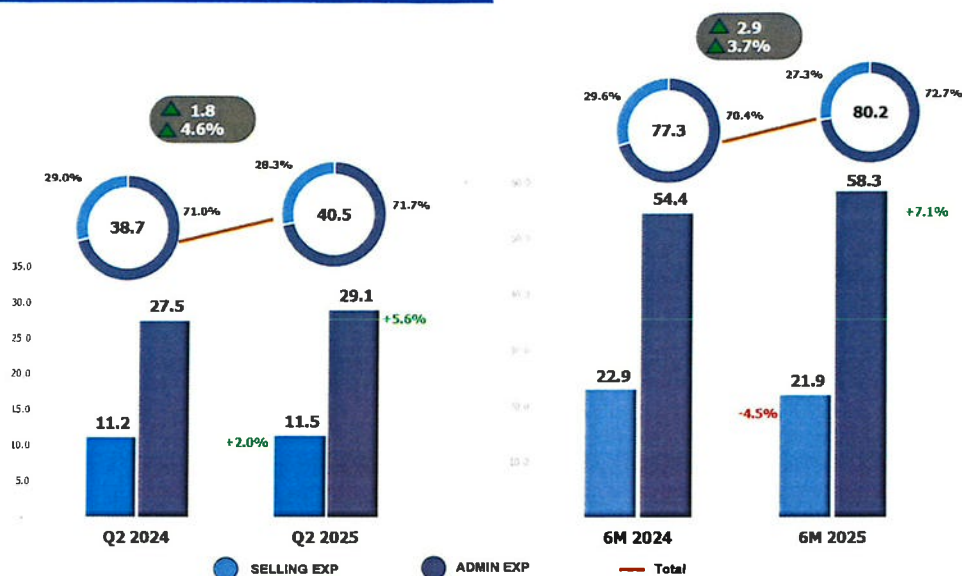


<p>⬇️ Gross profit margin in Q2 2025 was 39.5%, a decline of 2.1 percentage points from 41.6% in the same period last year, mainly due to higher costs.</p>	<p>⬇️ Gross profit margin for the first six months of 2025 was 40.4%, slightly decreasing by 0.5 percentage points, mainly due to higher service costs.</p>
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Selling expenses and Administrative

(Unit : Million Baht)



3M

⬆ Distribution costs in Q2 2025 were 11.5 million baht, close to the same quarter of the previous year, which was 11.2 million baht.

⬆ Administrative expenses in Q2 2025 amounted to 29.1 million baht, an increase of 5.6% compared to the same period last year. The main reasons were foreign exchange losses due to economic and export market volatility, as well as consulting fees for initiatives to raise organizational awareness, including Carbon Footprint training, Total Quality Management (TQA) training, and financial advisory services.

6M

⬇ Distribution costs for the first half of 2025 decreased by 1.0 million baht, or 4.5%, compared to the same period last year, due to lower product testing and analysis expenses.

⬆ Administrative expenses for the first half of 2025 amounted to 58.3 million baht, an increase of 3.9 million baht or 7.1% from 54.4 million baht. The main causes of the increase were primarily from Q1, including:

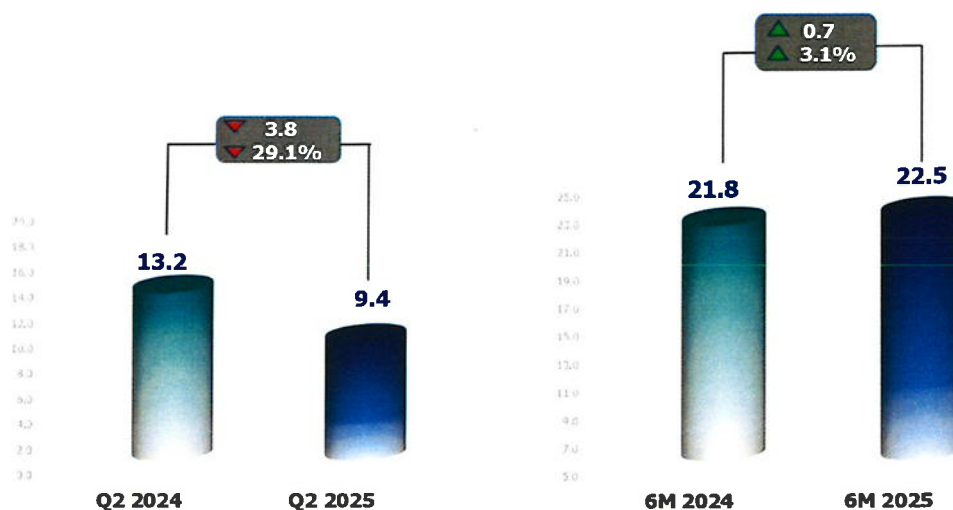
1. Reversal of accrued revenue from trade receivables.
2. Provision for doubtful debts.
3. Expenses for consulting services and training aimed at enhancing organizational and personnel capabilities for maximum efficiency.





NET PROFIT

(Unit : Million Baht)



3M

6M

▶ **Net Profit:** In Q2 2025, net profit amounted to THB 9.4 million, a decrease of THB 3.8 million or 29.1% compared to the same period last year, primarily due to lower sales and higher service-related costs. For the first six months of 2025, net profit totaled THB 22.5 million, an increase of THB 0.7 million or 3.1%, driven mainly by higher sales and efficient inventory management.



Consolidated Financial Statement						
Balance Sheet	Q2'2025		2024		Growth	
	MB.	% of TA	MB.	% of TA	MB.	%
Cash and cash equivalents	58.1	6.9%	57.6	6.7%	0.5	0.9%
A/R & Other Receivables	129.5	15.3%	135.3	15.6%	(5.7)	-4.2%
Inventories	189.6	22.4%	192.6	22.3%	(3.0)	-1.6%
Other current financial assets	6.1	0.7%	4.8	0.6%	1.3	27.0%
Total current assets	383.3	45.4%	390.2	45.1%	(6.9)	-1.8%
Other non-current financial assets	10.2	1.2%	10.2	1.2%	0.1	0.8%
Property, plant and equipment	432.1	51.2%	444.8	51.5%	(12.7)	-2.8%
Right-of-use assets	5.9	0.7%	6.7	0.8%	(0.8)	-11.9%
Non-current assets	13.2	1.4%	12.5	2.0%	0.7	5.7%
Total non-current assets	461.5	54.6%	474.1	54.9%	(12.7)	-2.7%
Total assets	844.7	100.0%	864.3	100.0%	(19.6)	-2.3%

Assets

- **Cash and cash equivalents** The company's cash increased by THB 0.5 million or 1%, despite generating approximately THB 61 million in cash from operations. The cash outflows were mainly for repayment of long-term loans (THB 19 million) and short-term loans (THB 11 million), dividend payments (THB 25.8 million), and investment in a subsidiary (THB 3.75 million).
- **A/R & Other Receivables** Trade receivables decreased by THB 5.7 million, from THB 135.3 million at the end of 2024 to THB 129.5 million, due to increased collections and a lower proportion of sales to contractors.
- **Inventories** Total inventories decreased by THB 3.0 million or 1.6% from the end of 2024, as a result of effective management and control of raw material stock and semi-finished goods to maintain optimal levels.
- **Property, plant and equipment** The company's fixed assets in Q2 decreased by THB 12.7 million or 3%, primarily due to accumulated depreciation of buildings and machinery.

Consolidated Financial Statement (Continued)						
Balance Sheet	Q2'2025		2024		Growth	
	MB.	% of TA	MB.	% of TA	MB.	%
Bank overdraft and short-term loans	10.0	1.2%	20.6	2.4%	(10.6)	-51.5%
A/P & Other Payables	40.1	4.7%	28.7	3.3%	11.4	39.7%
Current portion of long-term loans	39.3	4.7%	39.0	4.5%	0.3	0.8%
Current liabilities	18.2	2.2%	15.2	1.8%	3.0	19.6%
Total current liabilities	107.6	12.7%	103.5	12.0%	4.1	3.9%
Long-term loans from financial institutions	126.9	15.0%	146.5	16.9%	(19.6)	-13.4%
Lease liabilities	4.6	0.5%	6.2	0.7%	(1.6)	-25.5%
Provision for long-term employee benefits	18.8	2.2%	18.0	2.1%	0.9	4.8%
Other non-current liabilities	-	0.0%	-	0.0%	-	0.0%
Total non-current liabilities	150.3	17.8%	170.6	19.7%	(20.3)	-11.9%
Total liabilities	257.8	30.5%	274.1	31.7%	(16.3)	-5.9%
Paid-up share capital	215.0	25.5%	215.0	24.9%	-	0.0%
Premium on ordinary shares	519.7	61.5%	519.7	60.1%	-	0.0%
Deficit of business combination	- 460.9	-54.6%	- 460.9	-53.3%	-	0.0%
Share-based payment reserve	17.7	2.1%	17.7	2.0%	-	0.0%
RE-Legal Reserved	21.5	2.5%	21.5	2.5%	-	0.0%
RE-Unappropriated	273.9	32.4%	277.3	32.1%	(3.4)	-1.2%
Total shareholders' equity	586.9	69.5%	590.2	68.3%	(3.3)	-0.6%
Total Liabilities and shareholder's equity	844.7	100.0%	864.3	100.0%	(19.6)	-2.3%

Liabilities and Shareholders' equity

- **Bank Overdraft and Short-term Loans:** In Q2 2025, bank overdrafts and short-term loans decreased by THB 10.6 million, or 51.5%, due to cash flow management aimed at reducing reliance on external borrowings.
- **Accounts Payable & Other Payables:** As of Q2 2025, accounts payable and other payables increased by THB 11.4 million, or 39.7%, higher than year-end, reflecting the regular procurement of raw materials according to production cycles, unlike at year-end when inventory and raw material levels were controlled.
- **Long-term Loans from Financial Institutions:** As of Q2 2025, long-term loans decreased by THB 19.6 million, or 13.4%, due to scheduled repayments without incurring additional long-term debt.

- Shareholders' Equity: As of Q2 2025, shareholders' equity decreased by THB 3.3 million, or 0.6%, as a result of dividend payments. Bank overdraft and short-term loans

5 Factors That May Affect Operations or Future Growth

- ▶ Carbon Footprint Initiative: The company continues to collect and monitor greenhouse gas emissions across the organization. In addition, the company is developing low-carbon products (Carbon Footprint Products & Carbon Footprint Reduction). These products are expected to receive Carbon Footprint Labels and Climate-Friendly Labels from the Thailand Greenhouse Gas Management Organization (TGO) in Q3 2025.

6 Sustainability Development

- ▶ Sustainability Recognition: Kumwell Corporation Public Company Limited was rated A in the SET ESG Ratings 2024 within the Industrials sector, marking the second consecutive year of high performance. The company applies international guidelines to set strategies and drive organizational development across Environmental, Social, and Governance (ESG) dimensions. Strategic planning also incorporates the United Nations Sustainable Development Goals (SDGs) and the principle of Creating Shared Value (CSV). These frameworks guide the establishment of short-term and long-term goals, as well as sustainability action plans, to achieve corporate objectives while supporting the UN SDGs, fully aligned with the company's vision, mission, and strategic direction.

Environmental Initiatives: The company is committed to sustainable environmental practices, reflecting its achievements through clearly defined policies, goals, and action plans as follows:

1. Carbon Footprint Training Program – External consultants provide knowledge on greenhouse gas (GHG) assessment and reduction, enhancing the company's environmental image, competitiveness in the market, and preparedness for GHG reporting.
2. Production Process Improvement – The company has shifted the heating process for welding powder raw materials from liquefied petroleum gas (LPG) to electricity generated from renewable energy.
3. Environmental Policy and ISO 14001 Compliance – Environmental policies and objectives are aligned with organizational and stakeholder needs, demonstrating commitment to environmental management, enhancing global market competitiveness, meeting stakeholder expectations, and promoting long-term sustainability.

Social Initiatives:

1. Creating Shared Value – Safety to Society (Kumwell CSV) – The company established the "Kumwell Academy Learning Center," accredited by the Council of Engineers under host organization code 7016. The center provides continuing professional development (CPD/PDU) units for engineers

pursuing professional certification. Training seminars are offered both offline and online, covering multiple courses for engineers, technicians, and interested parties.

Governance Initiatives:

1. Corporate Governance Rating (CGR) 2024 – The company received an Excellent (5-star) rating for corporate governance, assessed through surveys, monitoring, and evaluation conducted by the Institute of Directors (IOD) of Thailand with the support of the Stock Exchange of Thailand (SET).

7 3Q25 Key Campaign and Promotion



The top section features three promotional banners for Kumwell products:

- SLMS II:** A banner for the SLMS II system, highlighting its role in protecting power systems from lightning and surge. It features a special price of 27,000.- and includes a QR code for more information.
- Kumwell Grounding Box Set:** A banner for the Kumwell Grounding Box Set, emphasizing its safety and reliability. It lists five components: 1. Copper-plated Ground Rod (TIS Series) 12 units x 2 units, 2. ABS Insulation PE (Series) 1000mm x 100mm x 1 unit, 3. One Wire (Cable) 10-15 sqmm to Ground Rod (TIS) x 1 unit, 4. Covering Rod x 1 unit, and 5. Driving Head 100mm x 1 unit. The price is listed as 1,680.-.
- TIS 3024:** A banner for the TIS 3024 product, featuring a large image of the product and a QR code for more information.



The bottom left section features a promotional banner for the Kumwell Special Talk EP1/2025 Smart Home Solution. It includes a QR code for more information and a live stream link.



The bottom right section features a promotional banner for the Kumwell Special Talk EP2/2025 Kumwell Grounding Box Set. It includes a QR code for more information and a live stream link.



Please be informed accordingly.

Sincerely,

Mr. Boonsak Kiatjaroonlert

Chief Executive Officer

Kumwell Corporation Public Company Limited