EMPOWER GROWTH TOGETHER

Management Discussion and Analysis (MD&A)

Operating Performance and Financial Position

For the 2nd quarter ended June 30, 2026

Executive Summary

Revenue from Sales and Services THB 829.1 million Increased 16.9% YoY	Profit for the Period THB 135.9 million Increased 52.5% YoY	Share of Profit from Associates THB 171 million Increased 142.3% YoY

T.K.S. Technologies Public Company Limited and its subsidiaries (the "Company") hereby explain the operating results and financial position for the second quarter ended 30 June 2026. The Company recorded revenue of THB 829.1 million, an increase of THB 119.8 million or 16.9% from the same period of the previous year. The increase was mainly driven by special projects in the printing business, the packaging and label business, and continued growth in the technology platform business. The gross profit margin was 38.5%, up from 35.4% in the same period last year, primarily due to the increase in special printing projects, particularly the Security Printing segment, which carries a relatively high gross margin. The Company continued to manage production costs efficiently and focused on expanding high-potential growth businesses, including the technology platform business, which generates a high gross margin. In addition, the Company recognized a share of profit from investments in associates of THB 171 million, an increase of THB 100.4 million or 142.3% from the same period last year.

The Company recorded net profit from operations of THB 135.9 million, an increase of THB 46.8 million or 52.5% from the same period last year, mainly due to the higher gross profit margin generated from sales and service revenue as described above.

As at 30 June 2026, the Company's total assets amounted to THB 4,547.1 million, an increase of THB 162.7 million or 3.7% from 31 December 2025, mainly due to the recognition of net profit (loss) during the period. Nevertheless, the Company's financial position remained strong, with a debt-to-equity ratio of 0.33x.

As at 30 June 2026, the Company's net asset value (NAV) based on the consolidated financial statements, compared to the Company's market capitalization and the book value adjusted by the fair value of the investment in associates net with deferred tax liabilities was shown as follows;

Sustainable Development at T.K.S. Group

- Selected by Thaipat Institute for inclusion in the **"ESG Turnaround 2026"** list, recognizing companies showing signs of business recovery and growth potential based on the strength of their core businesses, with environmental, social and governance (ESG) factors serving as key drivers. This reflects the Company's success in enhancing business performance while creating long-term sustainability.
- **CAC Certified:** The Company's membership in Thailand's Private Sector Collective Action Against Corruption (CAC), certified by the Thai Institute of Directors (IOD), was renewed for the second time. The certification is valid for three years, from 30 June 2026 to 30 June 2029.
- Received a score of 97 in the 2026 Annual General Meeting **(AGM)** quality assessment conducted by the Thai Investors Association (TIA), higher than the 2025 score and reflecting continuous improvement in corporate governance standards.
- **The "Old For New"** project transformed used paper into environmentally friendly furniture, recycling 33 tonnes during the first half of the year.
- **CSR – Waste Creates Merit**, **Turning Waste into Funds**: The Company sorted waste and donated the proceeds to Ban San Dap School, generating a total social value of THB 59,050 and a social return on investment (SROI) of 4.63x.
- **CSR Green Supplier:** Developed a green supplier assessment manual to classify suppliers and plan capability development, with the aim of expanding the network of sustainability partners**.**
- **CSR – Climate Change**: The Company set a greenhouse-gas reduction target and reduced emissions by 0.88 ktCO2eq during the first half of the year.
- Certified to the global privacy information management standard **ISO/IEC 27701:2019 in 2025.**
- Received **Green Label certification** for six printing and writing paper products in 2025.
- Received an **ESG DNA** Project certificate in 2025 from the Stock Exchange of Thailand.
- Selected by the Stock Exchange of Thailand for the **SET ESG Ratings at Level A in 2024** (formerly THSI) and upgraded to AA for the first time in 2025.
- Received the Thai Chamber of Commerce Ethics Club honorary pin for 2025 under the theme **"Big Quick Win through Business Ethics."**

Overview Business Strategy - Tech Ecosystem Builder

The Company has continuously focused on adapting its businesses to keep up with digital disruption by developing the innovation of information technology and has internally restructured its group of companies to create a synergy both in terms of market and product development and in terms of reducing production capital to increase its overall competitiveness to maintain its existing business base alongside finding new business partners. Currently, the Company has invested in 4 major businesses as below: -

1. Advanced-technology printing and warehouse management services (Image & Security Fulfillment)
2. Digital platform services (Platform Solution)
3. Distribution of computer technology products, software, and information systems (IT & Digital Ecosystem)
4. Investment in high-potential businesses or digital technology businesses (Investments)

Operating Results Analysis

Operating Results for the 2nd quarter 2026

Revenue and Gross Profit

The Company recorded revenue from sales and services of THB 415 million, an increase of THB 85.6 million or 26.0% YoY. Compared with Q1/2026, revenue increased by THB 1 million or 0.2%, driven by the Image & Security segment and the packaging and label business.

The gross profit margin was 38.1%, up from 35.5% in the same period last year, but slightly lower than Q1/2026. The YoY improvement reflected continued efficient production-cost management. The Company also remained focused on expanding high-potential growth businesses, particularly the technology platform business, which generates a high gross margin.

Selling and Administrative Expenses

Selling and administrative expenses were THB 84.7 million, an increase of THB 13.8 million or 19.5% YoY. Compared with Q1/2026, these expenses increased by THB 8.5 million or 11.9%, mainly due to higher software and computer program service fees, increased transportation and postal expenses, and other selling-related expenses in line with higher sales.

Finance Costs and Income Tax

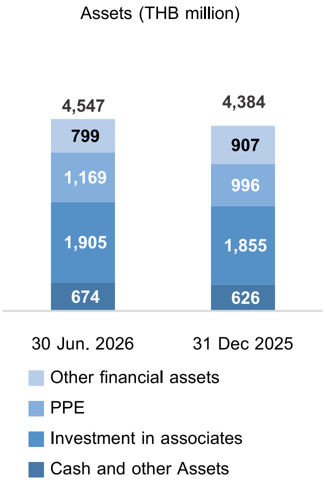
The Company's finance costs were THB 3.2 million, down THB 2.2 million or 40.6% YoY. Compared with Q1/2026, finance costs decreased by THB 0.1 million, mainly due to lower borrowing rates and efficient funding-source management.

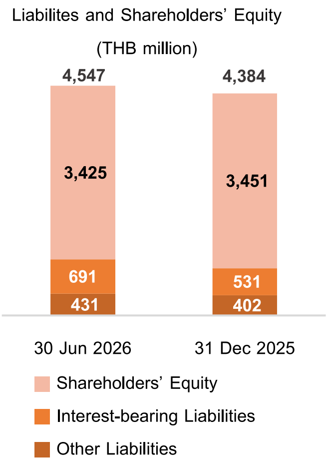
The Company had income tax expense was THB 12.7 million, up THB 3.9 million YoY due to higher operating profit. Compared with Q1/2026, income tax expense decreased slightly.

Profit sharing from investment in associates and dividend received from investment

The Company recognized a share of profit from investments in associates of THB 85.8 million, an increase of THB 44.2 million or 106% YoY and an increase of THB 0.5 million or 0.6% QoQ, mainly due to the share of profit from SYNEX in Q2/2026.

Financial Position Analysis





Assets

As at 30 June 2026, the Company has total assets of THB 4,547 million, an increase of THB 163 million or 3.7% from 31 December 2025. The significant changes are as follows:

- Investments in associates increased by THB 50 million.
- Property, plant and equipment increased by THB 172 million due to investment in the Fulfillment business.
- Other financial assets decreased by THB 108 million, mainly due to the remeasurement of investments during the period.

Liabilities

As at 30 June 2026, the Company has total liabilities of THB 1,122.5 million, an increase of THB 189 million or 20.2% from 31 December 2025. The significant movements were as follows:

- Interest-bearing liabilities increased by THB 160 million, mainly due to a THB 175 million increase in borrowings from financial institutions, repayments of long-term borrowings of THB 47 million, and an increase in lease liabilities of THB 31.7 million.
- Other liabilities increased by THB 29 million, mainly due to an increase in employee benefit obligations (EBO) following a new actuarial valuation report under TAS 19.

Shareholders' Equity

As at 30 June 2026, total shareholders' equity amounted to THB 3,425 million, a decrease of THB 26.0 million or 0.8% from 31 December 2025. The main movements comprised net profit of THB 330 million for the six-month period, a THB 111 million loss from the fair-value measurement of equity instruments recognized through other comprehensive income, THB 40 million paid for treasury shares under the share repurchase program, and the payment of the 2025 annual dividend of THB 173 million.

Debt-to-Equity Ratio

As at 30 June 2026, the debt-to-equity ratio and the interest-bearing debt-to-equity ratio were 0.33x and 0.20x, respectively, both higher than at 31 December 2025.

Fair Value

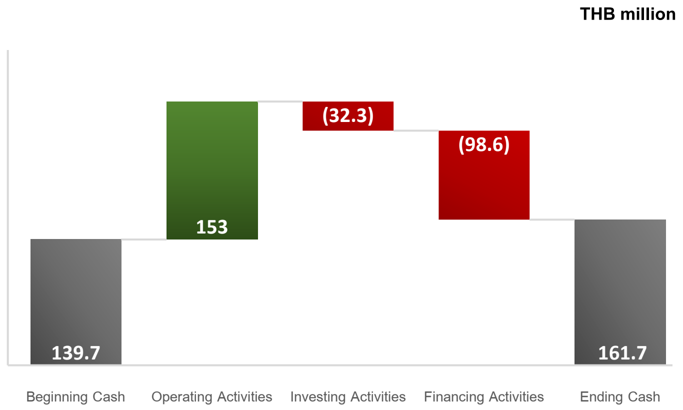
The following table presents the carrying amounts and fair values of assets measured at fair value or for which fair value is disclosed in the consolidated financial statements and notes as at 30 June 2026.

Unit: THB million

	Book Value	Fair Value
Assets measured at fair value		
Investments in Equity Instruments	799	799
Assets disclosed fair value		
Investments in Associates	1,905*	2,855

* The carrying amount of investments in associates is measured using the equity method in accordance with applicable accounting standards.

Statement of Cash Flows



The Company has cash and cash equivalents totaling THB 161.7 million, an increase of THB 22 million from the beginning of the period. Cash-flow movements were as follows:

- Net cash flow from operating activities amounted to THB 153 million, mainly from operating cash flows, after income tax payments of THB 26.3 million during the period.
- Net cash used in investing activities amounted to THB 32.3 million, mainly due to dividend receipts of THB 147.1 million during the period and net cash payments of THB 182.5 million for the acquisition of property, plant and equipment.
- Net cash used in financing activities was THB 98.6 million. Key items included net cash receipts from borrowings and repayments of THB 175 million, dividend payments of THB 173.3 million, interest payments of THB 6.4 million, long-term loan repayments of THB 47 million, and cash payments of THB 40 million for treasury shares.

Financial Information

Financial Performance for the 2nd quarter ended 30 June 2026

Unit: THB million	Q2/2026	Q2/2025	Q1/2026	YoY	QoQ
				% +(-)	% +(-)
Revenue from Sales and Services	415.0	329.4	414.1	26.0%	0.2%
Cost of Sales and Services	(256.9)	(212.4)	(252.9)	(20.9%)	(1.6%)
Gross Profit	158.1	117.0	161.1	35.2%	(1.9%)
Selling and Administrative Expenses	(84.7)	(70.9)	(75.7)	(19.5%)	(11.9%)
Other Income	4.9	4.6	5.0	6.5%	(1.7%)
EBIT	78.3	50.7	90.4	54.6%	(13.4%)
Finance Costs	(3.2)	(5.4)	(3.3)	40.6%	4.0%
Income Tax	(12.7)	(8.8)	(13.6)	(44.3%)	6.8%
Net Profit from Operations	62.4	36.5	73.5	71.1%	(15.1%)
Profits (loss) sharing from investment in associates and joint venture	85.8	41.6	85.3	106.0%	0.6%
Dividend Income from Investments	23.0	36.3	0.1	(36.6%)	22992.8%
Gain (loss) from extraordinary items *	-	(99.1)	-	(100.0%)	
Net Profit (Loss) for the Period	171.2	15.3	158.8	1018.0%	7.8%
Depreciation and Amortization	(27.1)	(26.3)	(24.8)	(2.9%)	(9.1%)
EBITDA	105.3	77.0	115.2	36.9%	(8.6%)
Gross Profit Margin (%)	38.1%	35.5%	38.9%	7.3%	(2.1%)
EBITDA Margin (%)	25.4%	23.4%	27.8%	8.7%	(8.8%)
Operating Profit Margin (%)	15.0%	11.1%	17.7%	35.8%	(15.3%)
Earnings per Share (THB)	0.35	0.02	0.31	1650.0%	12.9%

Profit Attribution

Owners of the Parent	168.9	12.0	151.6	1311.03%	11.41%
Non-controlling Interests	2.3	3.3	7.2	(30.91%)	(68.51%)
Net Profit (Loss) for the Period	171.2	15.3	158.8	1018.82%	7.76%

Financial Information (Cont'd)

Financial Performance for the Six-Month Period Ended 30 June 2026

Unit: THB million	6 Months 2026	6 Months 2025	YoY % +(-)
Revenue from Sales and Services	829.1	709.3	16.9%
Cost of Sales and Services	(509.8)	(458.5)	(11.2%)
Gross Profit	319.2	250.8	27.3%
Selling and Administrative Expenses	(160.4)	(140.8)	(13.9%)
Other Income	9.9	9.5	4.2%
EBIT	168.7	119.5	41.2%
Finance Costs	(6.5)	(11.5)	43.5%
Income Tax	(26.3)	(18.9)	(39.2%)
Net Profit from Operations	135.9	89.1	52.5%
Profits (loss) sharing from investment in associates and joint venture	171.0	70.6	142.3%
Dividend Income from Investments	23.1	38.6	(40.2%)
Gain (loss) from extraordinary items *	-	(99.1)	(100.0%)
Net Profit (Loss) for the Period	330.0	99.2	232.7%
Depreciation and Amortization	(51.9)	(54.0)	4.0%
EBITDA **	220.6	173.5	27.1%
Gross Profit Margin (%)	38.5%	35.4%	8.9%
EBITDA Margin (%)	26.6%	24.5%	8.8%
Operating Profit Margin (%)	16.4%	12.6%	30.5%
Earnings per Share (THB)	0.66	0.18	266.7%

* Gain (loss) from extraordinary items : In Q2/2025, the Company recognized an impairment loss on its investment in an associate of THB 86.6 million and a loss on the disposal of investments in a joint venture and an associate of THB 12.5 million, resulting in total losses from special items of THB 99.1 million.

** EBITDA (Exclude profit sharing)

Please be informed accordingly.

Yours sincerely,

(Mr. Supant Mongkolsuthree)

Chief Executive Officer

Financial Information (Cont'd)

Statement of Financial Position and Key Financial Ratios

Item	Statement of Financial Position as at					
	30 June 2026		31 December 2025		Change	
	THB million	Percent	THB million	Percent	THB million	Percent
Total Assets	4,547.1	100.0	4,384.40	100.0	162.7	3.7%
Total Liabilities	1,122.5	24.7	933.80	21.3	188.7	20.2%
Shareholders' Equity	3,424.6	75.3	3,450.60	78.7	(26.0)	(0.8%)
Key Financial Ratios						
Debt-to-Equity Ratio	0.33x		0.27x			
Interest-bearing Debt-to-Equity Ratio	0.20x		0.15x			

Statement of Cash Flows

Cash Flows (Unit: THB million)	For the six-month Period ended 30 June 2026	For the six-month Period ended 30 June 2025
Net cash flows from operating activities	153.0	93.7
• Cash Flows from Operations	223.0	176.3
• Changes in Working Capital	(43.7)	(58.9)
• Net Income Tax Paid	(26.3)	(23.7)
Net cash flows used in investing activities	(32.3)	123.6
Net cash flows from (used in) financing activities	(98.6)	(244.3)
Net increase (decrease) in cash and cash equivalents during the period	22.0	(27.0)
Cash and cash equivalents at the beginning of the period	139.7	174.7
Cash and cash equivalents at the ending of the period	161.7	147.7

Please be informed accordingly.

Yours sincerely,

(Mr. Supant Mongkolsuthree)

Chief Executive Officer