

## The group of company overview

Capital Engineering Network Public Company Limited and its subsidiaries (collectively referred to as the “Group”) reported that, in this quarter, QROI Network Services Inc. (QNSI), a subsidiary of Sky Tower Public Company Limited (“STOWER”) in the Philippines, recorded a significant increase in revenue from operations and maintenance (O&M) services. In addition, the company has also expanded its solar cell installation business for telecommunications stations and general buildings, including operating a solar EPC business to target household and entrepreneurial customers—creating opportunities to increase future revenue.

For the steel wire manufacturing and distribution business, the industry continues to face challenges from various factors, including volatility in global raw material prices, intense competition from both domestic and international producers, and a slowdown in the construction sector and related industries. These factors have led to a decline in domestic demand for steel wire compared to the same period last year. In addition, changes in labor policies and the continuous rise in energy costs have driven up production costs in the industry. As a result, operators need to adjust their strategies to maintain competitiveness.

As for the power plant business, it continues to be affected by fluctuations in natural gas prices. In this quarter, gas prices declined; however, electricity and energy consumption from tile manufacturing customers decreased in line with economic conditions, impacting the overall sales volume and revenue of the business.

### Summary of Operating Results for Q2/2025

Amid a challenging business environment, the Group continues to expand its energy, infrastructure, and solar cell businesses in international markets, particularly in the Philippines, to establish a long-term revenue base. The Group is currently implementing business restructuring measures and enhancing cost management efficiency, while accelerating revenue growth from new projects in the energy and infrastructure sectors to support performance recovery in the second half of the year. **In this quarter**, the Group recorded **an operating gross profit of THB 11.93 million**, a decrease of THB 7.50 million compared to the same period last year. This decline was primarily due to cost pressures and reduced demand in certain business segments, which were impacted by global economic conditions. The summary is as follows:

#### Revenue

##### 1. Revenue from sales

**"Revenue from steel wire sales (RWI) decreased** compared to the same period last year, while total product sales revenue reached THB 120.68 million, an increase of THB 2.46 million or 2.08% compared to product sales revenue of THB 118.22 million in Q2/2024. The increase was mainly driven by higher sales volumes, along with a pricing strategy focused on maintaining market share by adjusting selling prices in line with production costs and market conditions at each period. This was coupled with effective cost management while maintaining product and service quality to ensure sustainable competitive advantage.

**Revenue from the sale of electricity and thermal energy (ENESOL)** decreased from the same period last year due to variable electricity prices linked to actual costs incurred and adjustments in the industrial natural gas price.

**Revenue from industrial product sales (STOWER)** amounted to THB 1.62 million, increasing from the previous year.

## 2. Revenue from Project Work and Services

**The subsidiary (STOWER) increased sales and service revenue** In Q2/2025, **revenue from sales and services totaled THB 51.10 million**, comprising domestic business revenue of THB 9.79 million, representing 19.15% and revenue from the telecommunications business in the Philippines of THB 41.31 million, representing 80.85%. Total revenue decreased by THB 46.74 million, or 47.78%, compared to the same quarter last year, mainly due to a decline of 86.20% in revenue from domestic power and telecommunications businesses, partially offset by a 17.93% increase in revenue from the overseas telecommunications business.

**The decline in revenue from domestic power and telecommunications was** because the Company has not yet been awarded new contracts from bids for high-voltage transmission tower and substation structure projects of the Electricity Generating Authority of Thailand, which are still in the bidding process. The Company expects to be awarded such projects within 2025.

## 3. Other Revenue

Other income consisted of revenue from the sale of scrap materials, interest income, and other miscellaneous income.

### Expenses

**The Group's expenses total** of THB 325.89 million, representing a significant increase compared to the same period last year, reflecting higher operating costs driven by business expansion and economic conditions, comprising:

### 1. Cost of Goods Sold and Cost of Project Work

Cost of goods sold and service costs amounted to THB 201.82 million, **a decrease of THB 47.37 million, or 19.00%**, compared to THB 249.19 million in the same period last year. This was achieved through strict cost management measures, focusing on controlling raw material costs via efficient procurement and inventory management, appropriate management of labor and general expenses, as well as continuous monitoring and analysis of costs to identify areas for timely improvement and reduction. These efforts help strengthen the Company's competitiveness and long-term financial stability. Additionally, the Group has improved cost management, **including effectively controlling and managing product transportation costs** within the set budget.

### 2. Administrative expenses

Administrative expenses in Q2/2025 decreased by THB 13.50 million compared to the same period last year. This was due to the Group's restructuring of management and administrative personnel to align with a more streamlined and efficient operational strategy. The focus was also on optimizing resource utilization, disciplined cost management, and enhancing process efficiency to align with market conditions and the organization's long-term objectives.

### 3. Financial costs

Financial costs mainly consist of interest expenses from loans obtained from financial institutions. The Group has improved debt management compared to the previous year, along with effective liquidity and debt structure management. Despite high market interest rates, the Group has efficiently managed financial costs by restructuring debt to reduce interest burdens and utilizing working capital appropriately to support operations and future investments. As a result, financial costs decreased compared to 2024.

#### Financial Position

Statement of Financial Position	30 June 2025	%	31 Dec 2024	%	Increased (Decreased)	%
Current Assets	1,491.19	56%	1,633.09	57%	(141.90)	(8.69)
Non-Current Assets	1,154.42	44%	1,245.50	43%	(91.08)	(7.31)
<b>Total Assets</b>	<b>2,645.61</b>	<b>100%</b>	<b>2,878.59</b>	<b>100%</b>	<b>(232.98)</b>	<b>(8.09)</b>
Current Liabilities	214.37	6%	186.75	6%	27.62	14.79)
Non-Current Liabilities	213.60	10%	272.70	9%	(59.10)	(21.67)
Total Liabilities	427.97	16%	459.45	16%	(31.48)	(6.85)
<b>Shareholders' Equity of Company</b>	<b>1,340.69</b>	<b>51%</b>	<b>1,483.27</b>	<b>52%</b>	<b>(142.58)</b>	<b>(9.61)</b>
Shareholder's Equity of NC	876.95	33%	935.87	33%	(58.92)	(6.30)
Total Shareholders' Equity	2,217.64	84%	2,419.14	84%	(201.50)	(8.33)
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,645.61</b>	<b>100%</b>	<b>2,878.59</b>	<b>100%</b>	<b>(232.98)</b>	<b>(8.09)</b>

#### ➤ Asset

As of June 30, 2025, the Group's total assets amounted to **THB 2,645.61 million, a decrease of THB 232.98 million, or 8.09%**, compared to 2024. The decline in total assets was mainly due to an increase in cash, a reduction in liabilities, and a decrease in other current financial assets, reflecting the decline in the market value of equity investments in line with capital market movements and the ongoing volatility of economic conditions.

#### ➤ Liabilities

As of June 30, 2025, the Group's total liabilities amounted to **THB 427.97 million, a decrease** of 6.85%. The reduction in liabilities was primarily due to a subsidiary repaying short-term loans from financial institutions to alleviate interest expenses, thereby strengthening the Company's financial position. In addition, the Group has cash and excess liquidity on hand, which is being considered for investment in new projects to drive growth and create future value.

#### ➤ Shareholders' Equity

As of June 30, 2025, the Company's shareholders' equity amounted to **THB 1,340.69 million, a decrease of THB 142.58 million, or 9.61%**, compared to THB 1,483.27 million as of December 31, 2024, due to the recognition of operating losses.

**Financial Ratio**

Financial Ratio Highlights	Q2/2025	Q1/2025	Y2024	Q2/2024	Q1/2024
<b>Current Ratio</b>	6.96	9.18	8.74	6.40	5.74
<b>Debt to Equity Ratio (D/E Ratio)</b>	0.19	0.19	0.19	0.25	0.28
<b>Return on Assets (ROA)</b>	(2.83%)	(2.42%)	(0.75%)	4.15%	(1.98%)
<b>Return on Equity (ROE)</b>	(5.59%)	(4.74%)	(1.46%)	8.34%	(4.18%)
<b>Book Value Per Share **</b>	1.80	1.90	1.99	2.23	2.04

\*\*Calculated by the number of paid-up registered ordinary shares of the Company in the amount of 745,161,929 shares.

Based on the latest financial position, the Group continues to demonstrate financial strength and sufficient liquidity, with a high current ratio of 6.96 times, reflecting efficient management of current assets. At the same time, the Group maintains a low level of financial risk, as indicated by a debt-to-equity (D/E) ratio of only 0.19 times, highlighting low financial risk and strong financial stability.

These factors underscore the Group's financial stability and its potential to generate sustainable cash flows, enabling the Company to be well-equipped in terms of resources and capability to execute its strategic plans, as well as to pursue new investment opportunities to drive growth and enhance long-term value with confidence.

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Acting Chief Executive Officer