

No. LTS. 018/2025

Date August 14, 2025

Subject : Management's Discussion and Analysis and explanation of the year
Period ended June 30, 2025
(Further information as requested by the Stock Exchange of Thailand)

To : Directors and Managers
The Stock Exchange of Thailand

Executive Summary

Overall performance for 2Q25 The Company continued to generate revenue from its IT Solution business for data centers. Overall performance was comparable to the previous quarter. During this quarter, additional deliveries were made for a large-scale project under the lighting equipment business unit.

When comparing the results of 2Q25 with the same period last year (2Q24), both sales and net profit showed growth, driven primarily by increased revenue from the IT Solution business.

Significant events

On 19 June 2025, the Company acquired 100% of the shares of **EN Soft Co., Ltd.**, a business specializing in engineering, installation of computer systems, and related software solutions. The acquisition was executed through the issuance of new shares valued at THB 214.4 million.

Accordingly, in preparing the interim financial statements for the six-month period ended **30 June 2025**, the Company prepared consolidated financial statements that include **EN Soft Co., Ltd.**'s operating results for 12 days (from 19 June 2025 to 30 June 2025).

Company Performance

The Company's overall performance in **2Q25** was comparable to **1Q25**, recording total comprehensive income of **THB 20.4 million**, compared to **THB 18.4 million** in **1Q25**. This represents an increase of **THB 2.0 million**, or **10.7%**.

For the six-month period of the current year compared to the same period last year, profit increased. The Company recorded total comprehensive income for the six-month period of **THB 38.8 million**, compared to **THB 32.3 million** in the same period last year, an increase of **THB 6.5 million** (a decrease of **20%**).

Financial Position

As of 30 June 2025, total assets stood at THB 967.6 million, representing an increase of THB 472.2 million or 95.3% compared to year-end 2024. This significant increase was primarily due to the consolidation of EN Soft Co., Ltd., contributing THB 228.4 million to the total. The assets of EN Soft Co., Ltd. accounted for 23% of the consolidated financial statements. Key asset increases for 2Q25 included:

Trade receivables totaled THB 164.6 million, accounting for 77.6% of total receivables. A portion of this arose from sales related to the commissioning data center project, which involved longer credit terms than those granted to regular retail customers. This also included trade receivables from EN Soft Co., Ltd. All such receivables were not yet due for payment.

The Company continues to manage liquidity efficiently by negotiating extended credit terms with trade and other payables. This is reflected in the increase in trade and other payables by THB 98.5 million, or 144.9%, compared to year-end 2024.

Shareholders' equity totaled THB 590 million, an increase of THB 253.2 million or 75% from year-end 2024. The increase was primarily attributable to the capital increase of THB 214.4 million for the acquisition of EN Soft Co., Ltd., as well as higher retained earnings from the current quarter's net profit of THB 20.4 million.

Overall, the Company continues to pursue a prudent financial policy, maintaining a low debt-to-equity ratio of 0.64 times for 2Q25.

Management Discussion and Analysis

Quarterly Performance

Statement of Profit or Loss and Other comprehensive Income (Loss)	2Q25	1Q25	Increase (Decrease)	%QoQ	2Q24	Increase (Decrease)	%YoY
Revenue from sales and services	133.8	127.8	6.0	4.7	80.2	53.6	66.8
Cost of sales and services	87.4	84.7	2.7	3.2	42.5	44.9	105.6
Gross Profit	46.4	43.1	3.3	7.7	37.7	8.7	23.1
Other income	0.2	0.10	0.1	70.0	0.3	(0.1)	(43.3)
Gain (loss) arising from change in fair value of derivatives	(0.3)	0.3	(0.6)	(200.0)	0.01	(0.3)	(3,100.0)
Profit before expenses	46.3	43.5	2.8	6.4	38.0	8.3	21.7
Selling expenses	7.0	5.6	1.4	25.0	5.6	1.4	25.0
Administrative expenses	12.7	13.6	(0.9)	(6.6)	10.2	2.5	24.5
Profit before finance costs and income tax	26.6	24.3	2.3	9.3	22.2	4.4	19.6
Finance cost	1.0	1.0	-	-	0.8	0.2	25.0
Profit before income tax	25.6	23.3	2.3	9.7	21.4	4.2	19.4
Income tax	5.2	4.9	0.3	6.1	4.5	0.7	15.6
Profit for the year	20.4	18.4	2.0	10.7	16.9	3.5	20.5

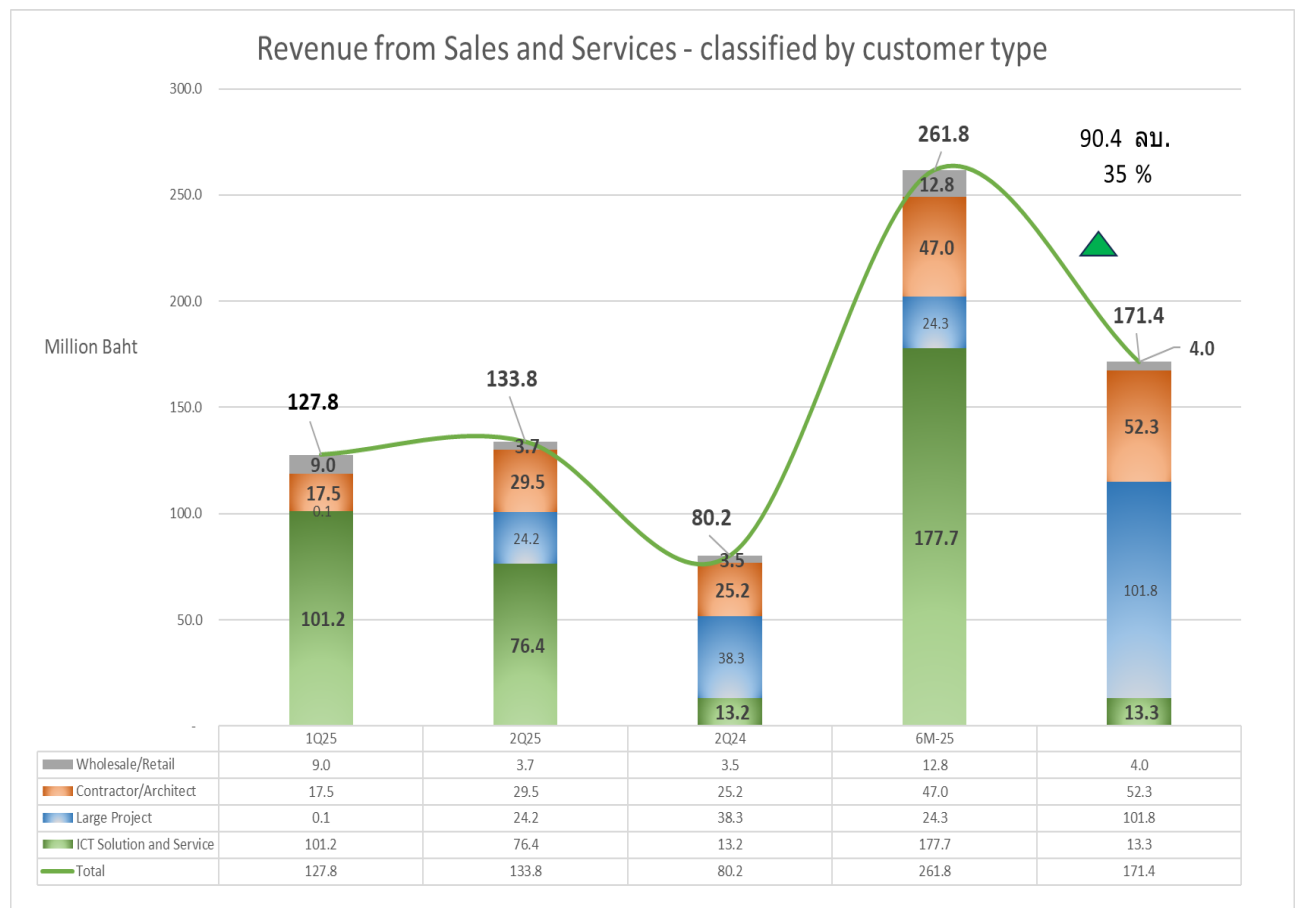
Six Months Performance

Statement of Profit or Loss and Other comprehensive Income (Loss)	6M2025	6M2024	Increase (Decrease)	%YoY
Revenue from sales and services	261.8	171.4	90.4	52.7
Cost of sales and services	172.2	101.9	70.3	69.0
Gross Profit	89.6	69.5	20.1	28.9
Other income	0.3	0.5	(0.2)	(40.0)
Gain (loss) arising from change in fair value of derivatives	(0.1)	0.1	(0.2)	(200.0)
Profit before expenses	89.8	70.1	19.7	28.1
Selling expenses	12.6	10.5	2.1	20.0
Administrative expenses	26.3	17.6	8.7	49.4
Profit before finance costs and income tax	50.9	42.0	8.9	21.2
Finance cost	2.0	1.5	0.5	33.3
Profit before income tax	48.9	40.5	8.4	20.7
Income tax	10.1	8.5	1.6	18.8
Profit for the year	38.8	32.0	6.8	21.3

Revenue

Revenue for 2Q25 amounted to THB 133.8 million, an increase of THB 53.6 million or 66.8% compared to THB 80.2 million in the same period last year. This growth was driven by higher revenue from IT Solution projects for data centers and from large-scale projects under the lighting equipment business unit, in line with planned construction schedules and product deliveries.

In this quarter, revenue recognized included THB 76.4 million from the Commissioning Data Center project and THB 24.2 million from large-scale projects in the lighting equipment business unit.



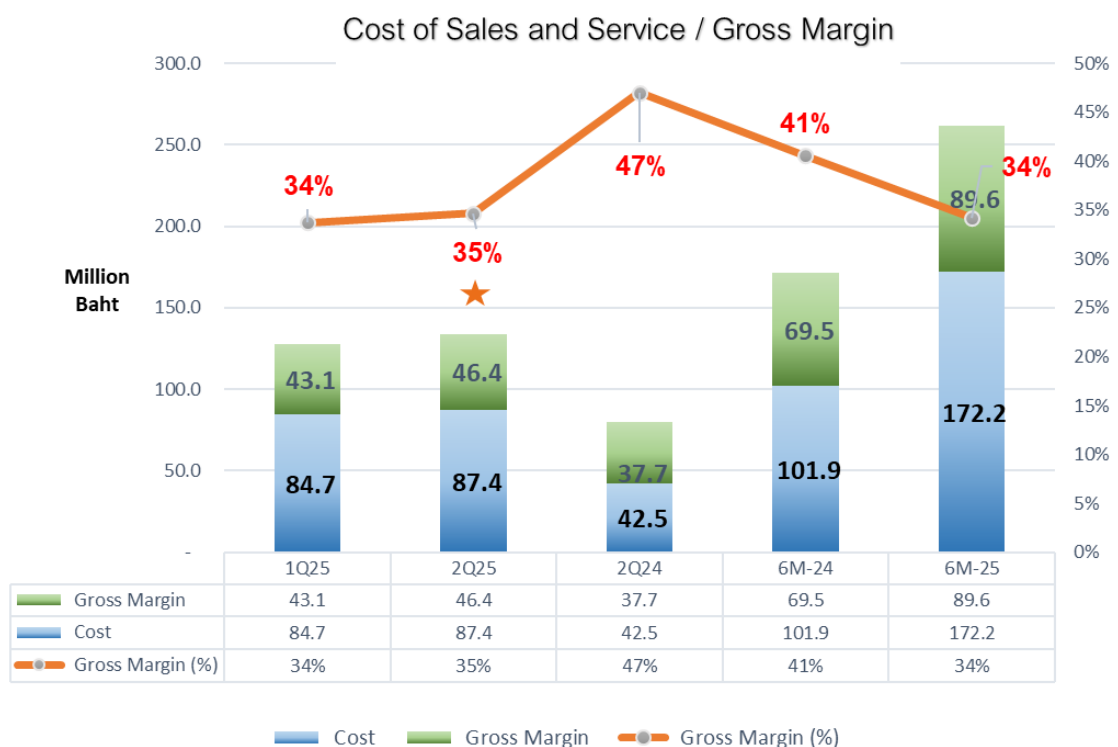
Cost of sales and service / Gross profit / Gross Profit Margin

- **Cost of Sales and Services** for 2Q25 totaled THB 87.4 million, an increase of THB 2.7 million or 3.2% compared to THB 84.7 million in 1Q25. This increase in cost of sales was in line with the growth in revenue during 2Q25.

- **Gross Profit** for 2Q25 was THB 46.4 million, an increase of THB 3.3 million or 7.7% compared to THB 43.1 million in 1Q25.

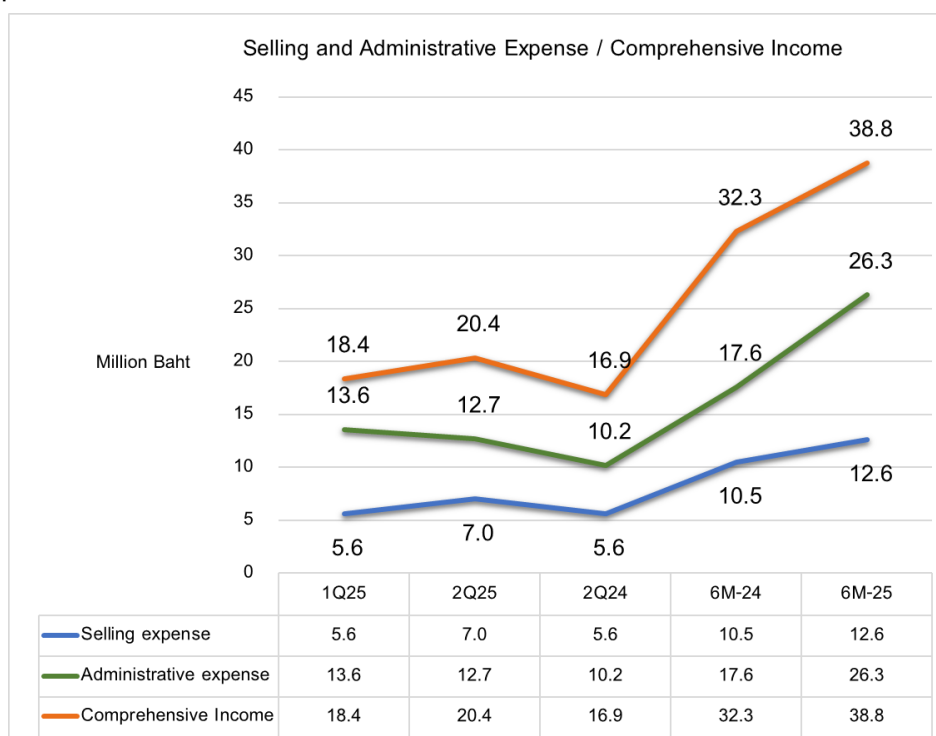
The gross profit margin in 2Q25 was impacted by the revenue mix, as revenue from the Data Center segment carried a lower margin compared to revenue from the lighting equipment business.

- **Gross Profit Margin** The gross profit margin for 2Q25 was 35%, remaining broadly in line with 34% in 1Q25.



Selling and Administrative expense / Net Profit

- Selling Expenses** for 2Q25 amounted to THB 7.0 million, an increase of THB 1.4 million or 25% compared to THB 5.6 million in 1Q25. The increase was primarily due to promotional and marketing expenses related to the Company's participation in the Architect Expo in May, aimed at enhancing brand recognition among target customers in the lighting equipment business.
- Administrative Expenses** for 2Q25 totaled THB 12.7 million, remaining relatively stable compared to THB 13.6 million in 1Q25. Changes in specific expense categories were as follows:
 - Professional fees** decreased by THB 1.3 million, as financial and legal advisory fees related to the merger and acquisition were fully paid in 1Q25.
 - Audit fees** decreased by THB 0.4 million, as tax due diligence expenses from the merger and acquisition were also fully paid in 1Q25.
 - Bank fees** increased by THB 0.14 million, mainly from fees related to the establishment of new credit facilities with commercial banks.
- Net profit** for 2Q25 was THB 20.4 million, an increase of THB 2.0 million or 10.7% compared to THB 18.4 million in 1Q25, remaining broadly in line with the previous quarter. Overall, revenue saw a slight increase; however, the rise in selling expenses offset much of this growth, resulting in net profit levels similar to those of the prior quarter.



Financial Position

Financial Position	30 June 2025.	31 December 2024.	Increase (decrease)	%Change
Current Assets	608.0	338.3	269.7	79.7
Non-Current Assets	359.6	157.1	202.5	128.9
Total Assets	967.6	495.4	472.2	95.3
Current Liabilities	327.6	122.6	205.0	167.2
Non-Current Liabilities	50.0	36.0	14.0	38.9
Total Liabilities	377.6	158.6	219.0	138.1
Shareholders' Equity	590.0	336.8	253.2	75.2

Total Assets

Statement of Financial Position	30 June 2025.	31 December 2024.	Increase (decrease)	%Change
Cash and cash equivalents	46.5	48.4	(1.9)	(3.9)
Trade and other receivables - net	376.7	212.1	164.6	77.6
Contract assets	79.5			
Inventories - net	66.6	59.0	7.6	12.9
Other current assets	61.0	25.8	35.2	136.4
Investment property	10.8	10.8	-	-
Fixed assets, intangible assets and right-of-use assets - net	144.0	117.9	26.1	22.1
Goodwill	138.2	-	138.2	100
Other non-current assets	44.3	21.4	22.9	107.0
Total Assets	967.6	495.4	472.2	95.3

Total Liabilities

Statement of Financial Position	30 June 2025.	31 December 2024.	Increase (decrease)	%Change
Loan from financial institutions	47.1	29.7	17.4	58.6
Trade and other payables	166.5	68.0	98.5	144.9
Contract liabilities	63.7	-		
Lease liabilities	27.5	29.8	(2.3)	(7.7)
Income tax payable	12.3	13.7	(1.4)	(10.2)
Other current liabilities	51.3	9.4	41.9	445.7
Employee benefit obligations	6.7	5.2	1.5	28.8
Other non current liabilities	2.5	2.8	(0.3)	-
Total Liabilities	377.6	158.6	155.6	98.1

Remark ** Includes Current and Non Current items

Assets

As of 30 June 2025, the Company's total assets stood at THB 967.6 million, an increase of THB 472.2 million or 95.3% from 31 December 2024. The significant increase was primarily due to the consolidation of E.N. Soft Co., Ltd. into the financial statements. Key asset movements included:

- **Increase in trade and other receivables** of THB 164.6 million, up 77.6% from year-end 2024, driven by receivables from Data Center projects in the current quarter and trade receivables from E.N. Soft Co., Ltd. amounting to THB 129 million.
- **Increase in other current assets** of THB 35.2 million, up 136.4%, mainly from prepaid service expenses, including THB 25.8 million from E.N. Soft Co., Ltd.
- **Goodwill** of THB 138.2 million, arising from the acquisition of E.N. Soft Co., Ltd. through the issuance of new shares.

Liabilities

As of 30 June 2025, the Company's total liabilities amounted to THB 377.6 million, an increase of THB 155.6 million or 98.1% from 31 December 2024. The increase was primarily due to the following factors:

- **Increase in trade and other payables** of THB 98.5 million, up 144.9% from year-end 2024, driven by purchases for the Commissioning Data Center project, where extended supplier credit terms were aligned with customer credit terms. These payables were not yet due for payment. The balance also included trade payables from E.N. Soft Co., Ltd. amounting to THB 22.8 million, and accrued project costs of THB 56.2 million.
- **Increase in other current liabilities** of THB 41.9 million, up 445.7% from year-end 2024, mainly due to advance receipts from E.N. Soft Co., Ltd. totaling THB 24 million.

Shareholders' equity

As of **30 June 2025**, shareholders' equity totaled THB 590 million, an increase of THB 253.2 million or 75.2% from 31 December 2024. The increase was mainly attributable to the capital increase of THB 214.4 million for the acquisition of E.N. Soft Co., Ltd., as well as the net profit of THB 20.4 million generated in 2Q25.

Important Financial Ratios

Quarterly

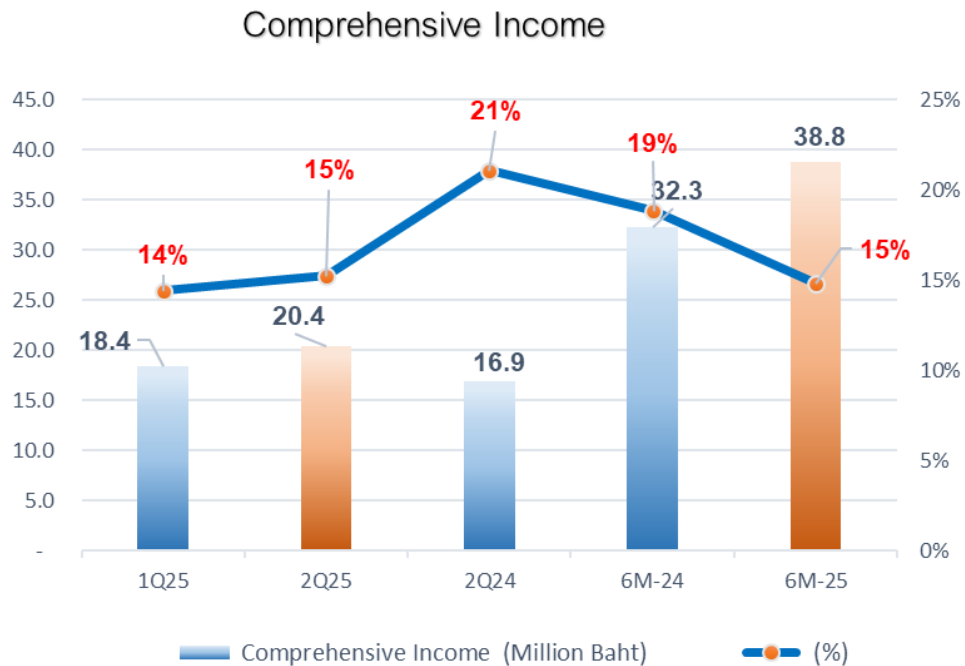
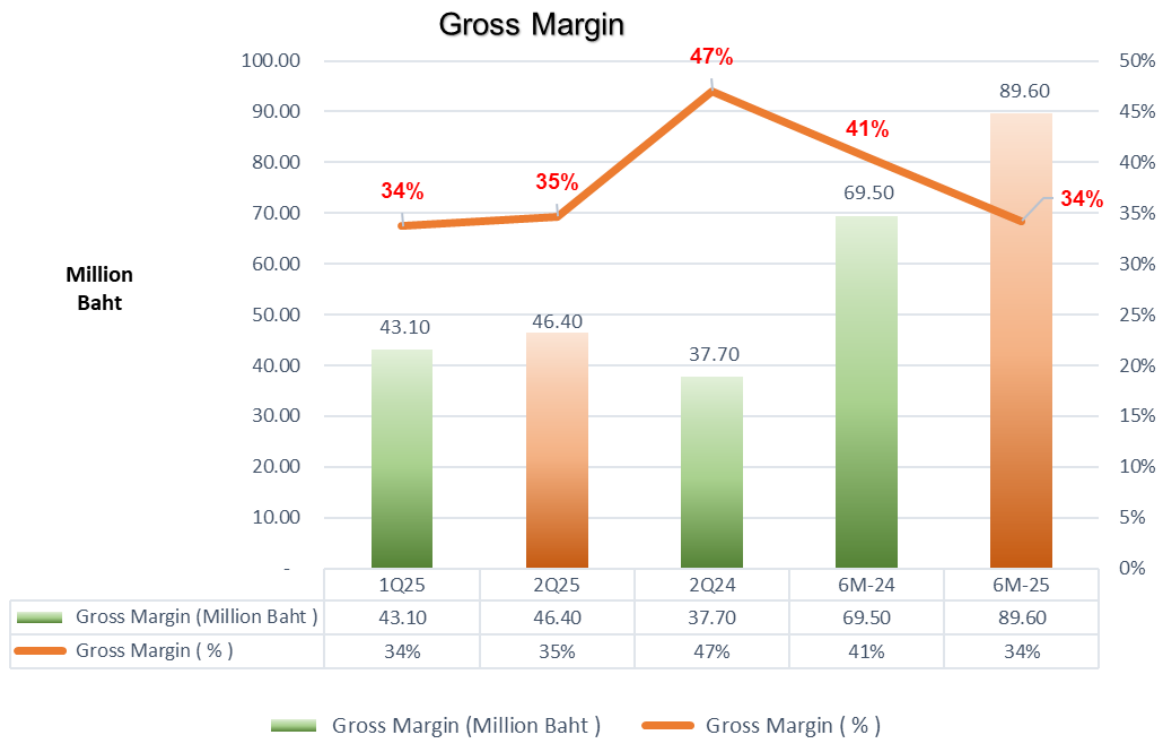
Financial Ratios	2Q25	1Q25	In(De)crease	%QoQ	2Q24	In(De)crease	%YoY
Gross Profit Margin	35%	34%	1%	3%	47%	-12%	-26%
Net Profit	15%	14%	1%	6%	21%	-6%	-28%
EBITDA	23%	21%	2%	8%	26%	-4%	-14%

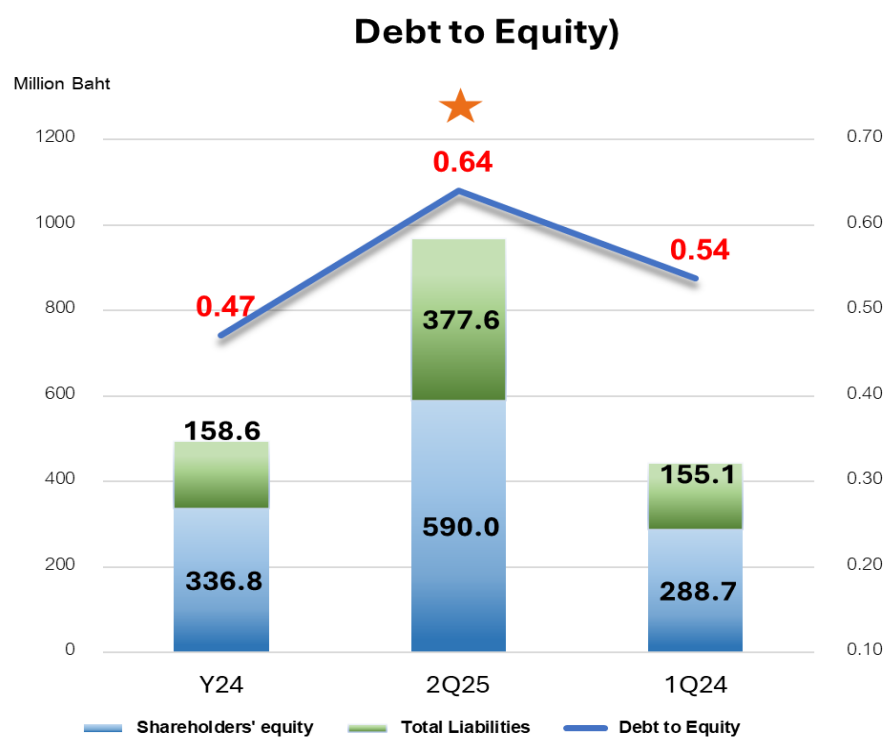
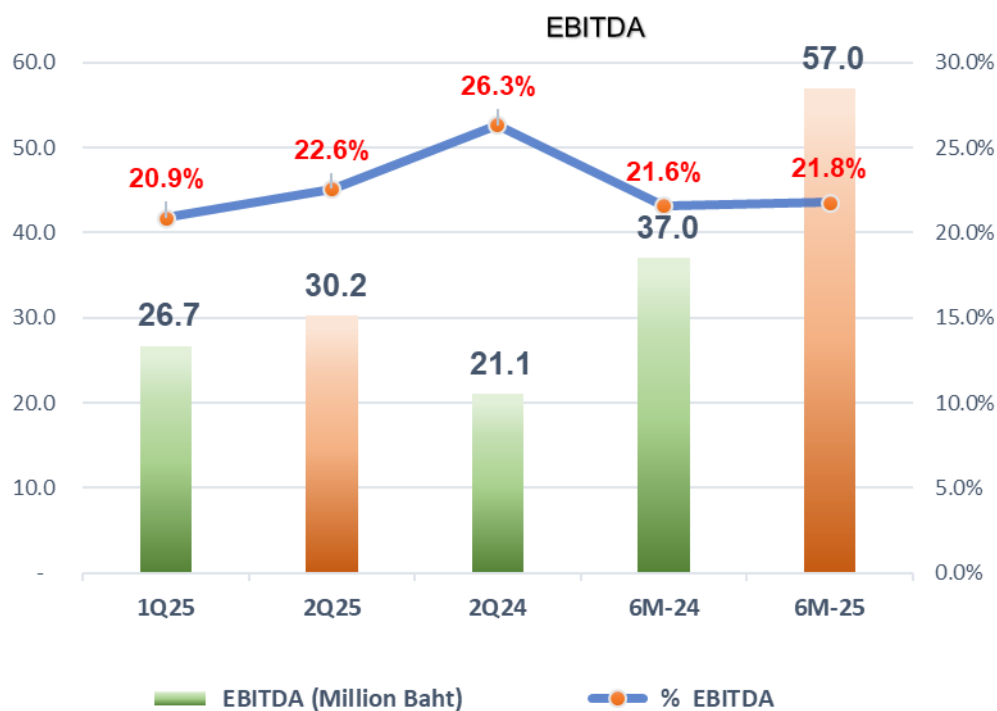
Financial Ratios	2Q24	3Q24	In(De)crease	%QoQ	3Q23	In(De)crease	%YoY
Debt to Equity ratio (D/E)	0.64	0.47	17%	36%	0.54	10%	19%
Return on Asset (ROA)	2.7%	3.5%	-0.8%	-23.5%	29.3%	-26.6%	-90.9%
Return on Equity (ROE)	4.3%	5.5%	-1.2%	-21.1%	33.8%	-29.5%	-87.3%
*** ROA & ROE Pro Rata Rate							

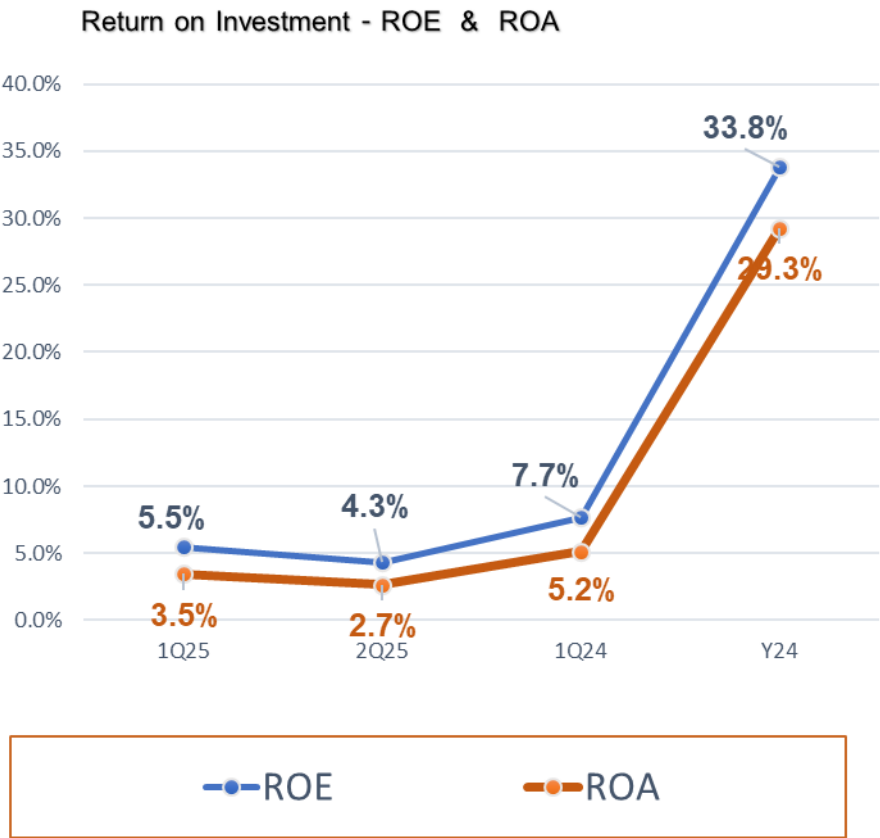
Six Months

Financial Ratios	6M Y25	6M Y24	In (De) crease	%YoY
Gross Profit Margin	34%	41%	-6%	-16%
Net Profit	15%	19%	-4%	-21%
EBITDA	22%	22%	0%	1%

Financial Ratios	6M Y25	6M Y24	In (De) crease	%YoY
Debt to Equity ratio (D/E)	0.64	0.54	0.10	19%
Return on Asset (ROA)	0.05	0.29	-24%	-82%
Return on Equity (ROE)	0.08	0.34	-26%	-77%
*** ROA & ROE Pro Rata Rate				







Sincerely Yours,

Nuchanat Sangchat

Chief Finance Officer

Regarding the qualified opinion expressed by the company's auditors on the financial statements for the second quarter of 2025, Light Up Total Solutions Public Company Limited ("the Company"), due to the scope limitation caused by the circumstances as presented in the financial statements for the second quarter of 2025, the Company would like to clarify the causes and reasons for this matter as follows:

1. Acquisition

The company has initiated the process of considering the acquisition of Company E. N. ENSoft Co., Ltd. ("ENSoft") since March 2025, and the matter has been presented to the Board of Directors for consideration and approval to express its intention to acquire the business and to request approval to commence operations.

In March, the Company appointed OptAsia Capital Co., Ltd. as its financial advisor, Araya & Partners Co., Ltd. as its legal advisor, and Sakset Consulting Co., Ltd. as its accounting and tax advisor to represent the Company in conducting due diligence for the acquisition and assessing the suitability of the acquisition from E. N. Soft Co., Ltd.

And when the three advisory committees began evaluating the various statuses of Company E. N. The company is limited both legally and in terms of accounting and taxation. The process began in March 2025 and concluded in June 2025. The company has received the business review report from the working group. Therefore, the financial advisor has concluded that this transaction is feasible and appropriate, agreeing on a purchase price of 6.70 baht, to be paid by issuing new shares.

In calculating the appropriate price for this acquisition offer, the financial advisor used a private placement method instead of cash payment, with an exchange rate (share swap) of 1 share of E Company common stock. N. Soft Limited is limited to 320 additional common shares of the company, representing a total value of 214,400,000 baht, at an offering price of 6.70 baht per share. This is an estimate of future revenue and cash flow, calculated based on historical performance and the potential for future profits, as referenced in the audit report by the accounting and tax advisor.

2. Results of the audit by accounting and tax consultants

The accounting and tax advisor has audited the financial statements of Company E. N. Soft Co., Ltd. used the "Agreed-upon Procedures Engagement" method for the purpose of evaluating operational performance and focusing on auditing to assess tax risks. This involved auditing the financial statements for the past 3 years: 2022, 2023, and 2024. For this audit, the accounting and tax consultant prepared a new audit report and performance evaluation for the past 3 years, including a list of necessary adjustments to improve the operational performance of E. N. Soft Co., Ltd. presented the correct and relevant accounting standard figures, including adjustments based on accounting standards for public interest entities. These revised operating results were presented to the board of directors and financial advisors for consideration in calculating the appropriate value for the acquisition.

For these reasons, as the audit was conducted in accordance with the agreed-upon method, the scope of the audit was not intended to express an opinion on the accuracy of the financial statements. Therefore, regarding the audit of the statement of financial position, Therefore, the audit procedures may differ in practice from an audit to express an opinion on financial statements. For example, verifying various items such as sending bank confirmation letters, sending trade receivables and trade payables confirmation letters, which are not within the scope of this engagement. Therefore, other methods will be used as agreed upon.

3. Company's Second Quarter 2025 Financial Audit E.N. Soft Co., Ltd.

Because E. Company N. Soft Co., Ltd. Prior to the merger, was a non-public company and was not listed on the stock exchange. Therefore, the accounting process was that of a company without public interest, which is less complex than companies that must use accounting standards for public interest entities. Therefore, in the past, E. N. Soft Co., Ltd. has used the services of an external accounting firm to manage the company's accounting.

Therefore, the accounting for the period prior to the merger, which is accounting from January to June 2025, will still be handled by an external accounting firm. According to the acquisition agreement, the parent company (LTS) will be responsible for all accounting and financial systems of Company E. N. Soft Co., Ltd. from the date of acquisition onward.

Due to the tight timeframe, the company has only just received various information and documents from Company E's previous accounting firm. N. Soft Co., Ltd. on June 19, 2025. The documents received from the accounting office are still incomplete and lack some information for other components, such as project progress documents, etc. Therefore, when the deadline for closing the financial statements for the second quarter of 2025 and the auditor's audit schedule, which is required to be audited according to the established timetable from July 21-25, 2025, which is a very tight timeframe, the Company is unable to prepare the documents for Company E. N. Soft Co., Ltd. was ready for inspection so that the auditor could use it on time. This led the auditor to issue a qualified opinion because they were limited in scope by the circumstances.

4. Company's Accounting and Financial System Management Plan E.N. Soft Limited after the acquisition

Following the acquisition, the Company has taken over the management control of Company E. N. Soft Limited will handle the accounting and finance functions. The company will be responsible for preparing all accounts and managing human resources (HR). Additionally, the company has appointed an internal control system expert consultant to implement an internal control system for E. N. Soft Limited, which has commenced operations and is expected to be completed in the third quarter of 2025, will enhance the operations of E. N. Soft Co., Ltd. is standardized, efficient, and transparent, meeting the same standards as the company.

5. Valuation of assets and liabilities as of the acquisition date

The company is in the process of appointing an independent appraiser to conduct a fair value assessment of the assets acquired and liabilities assumed from the business purchase, which is expected to be completed by the end of 2025.

The following items may affect the company's financial position and operating results. Therefore, the company is disclosing additional information to inform investors for their investment decisions as follows:

1. Assets arising from contracts 80 million baht

Assets arising from contracts amounting to 80 million baht, as per note 6 of the financial statements, show an overdue amount exceeding 12 months of 70 million baht, representing 88 percent of the total. E. N. Soft Co., Ltd. did not set up an allowance for expected credit losses because the item originated from accounts receivable from government agency projects, which are considered reliable and have a low risk of non-collection. Additionally, E. N. Soft Co., Ltd. has completed the work according to the planned schedule, with only the process of establishing a committee to inspect the work stages remaining. Based on the post-period item review, E. N. Soft Limited displays the progress of issuing invoices to collect the aforementioned service fees, as follows:

Project 1: Underground Electrical Cable Laying, Outstanding Value 60 million baht. Currently, the project is in the process of being handed over to the Provincial Electricity Authority. It is expected that the PEA will complete the handover by September, and the Company will issue an invoice for payment.

Project 2: Maintenance and repair service for the internet security system, valued at 4 million baht. An invoice was issued for payment in July, with payment due by September 2025.

Project 3: Hiring personnel to monitor, analyze, and issue cyber threat alerts within the specified timeframe, valued at 6 million baht. In August, an invoice was issued for payment, with a due date of September 2025.

Therefore, in the third quarter of 2025, auditors will be able to review the progress and monitor the movement of these items based on invoices already issued to customers, as well as track payments received for these items.

2. Prepaid service cost

The service cost prepayment of 26 million baht arose from a network equipment rental service project with a large private company listed on a stock exchange in December 2022. The rental period for this project is 57 months. The company has received full prepayment from the customer for this service. At the same time, E. N. Soft Co., Ltd. has already paid the costs of various equipment used to install this network system. The outstanding balance for prepaid

costs is therefore being recognized as an expense in installments, in line with the recognition of revenue in installments based on accrual accounting principles.

Currently, the company has prepared the relevant documents, financial information, and contracts related to the aforementioned items, ready for the auditors to review.

The company has considered the relevant information as per item 1. And point 2. Complete before the transaction, with the company's board of directors having received analysis reports from financial advisors, as well as conducting legal and financial due diligence of ENS to aid in their decision-making.

3. The current status of the company's trade debtors overdue by no more than 3 months, totaling 111 million baht.

The current status of trade debtors overdue by no more than 3 months, totaling 111 million, is due to large project debtors, specifically the Smart Park project. Currently, 27 million baht has been paid. This is because the main contractor of the project needs to make withdrawals and payments according to the work stages with the government agency that owns the project, which may take time. The company is closely monitoring the progress of the project and the status of the customer company. Additionally, the company has been following up on debt payments according to the debt collection policy outlined in the company's manual and regulations. This project began construction in 2022 and is scheduled for completion by 2026. The customer is continuing to operate the project without any indication of operational problems. They also communicate with the company regularly to inform us of payment schedules. Furthermore, this customer's past payment history shows that they have been able to pay off all outstanding debts. The company has a credit line from financial institutions reserved, which will provide sufficient cash flow for circulation in case of payment delays.

Please be informed accordingly

Sincerely Yours,

Nuchanat Sangchat

Chief Finance Officer