



Management Discussion & Analysis for the year 2025

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ALT TELECOM PUBLIC COMPANY LIMITED

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1. Overview of the Thai economy of year 2025

¹The Thai economy in 2025 is projected to grow by 2.2%. Growth is expected to moderate in the second half of the year compared to the first half due to temporary production halts for efficiency improvements in the petrochemical and automotive sectors. Additionally, a decrease in short-haul tourists—particularly from China—and flood recovery efforts in Southern Thailand are expected to impact economic activities into early next year.

However, the service sector shows signs of gradual recovery driven by rising tourist arrivals. Private investment is also trending upward, supported by new foreign direct investment (FDI) encouraged by the "Thailand FastPass" measure, particularly within the technology sector.

Telecommunications and Digital Technology Trends

The year 2025 marks a significant transition for the telecommunications and digital technology industry:

- **Infrastructure Demand:** Surging demand for Data Centers, Cloud services, and AI has created a massive need for high-speed, low-latency connectivity.
- **Revenue Growth:** This trend has led to exponential growth in the Company’s network service revenue, primarily driven by global Hyperscalers.
- **Energy Transition:** The global shift toward clean energy has opened new opportunities in the **Smart Energy** business, allowing the Company to diversify its revenue streams with higher-margin services and reduce reliance solely on the ICT market.

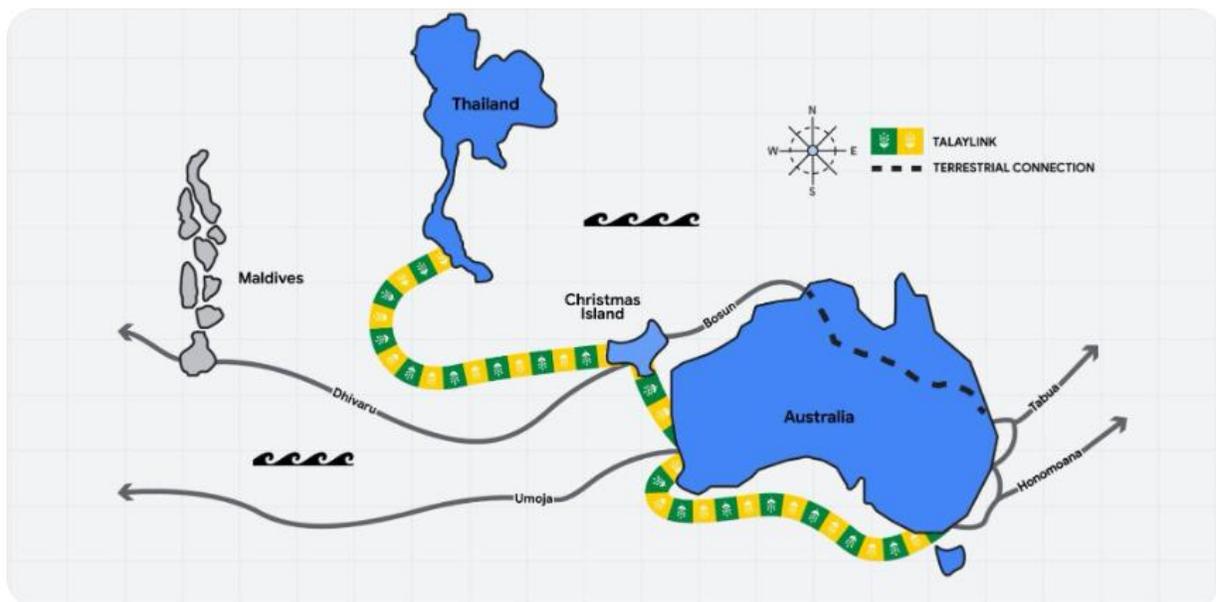
¹ Source: Bank of Thailand Monetary Policy Report Quarter 3 2025

2. Key Events of the Company in 2025:

1) Strategic Involvement

Introducing the TalayLink subsea cable and new connectivity hubs

November 24, 2025



Source: <https://cloud.google.com/blog/products/infrastructure/talaylink-subsea-cable-to-connect-australia-and-thailand>

- On November 24, 2025, Google announced "TalayLink," a new subsea cable project connecting Thailand and Australia.
- Purpose: To enhance network stability and connectivity to support the upcoming Google Cloud Region and Data Centers in Thailand.
- Collaboration: The project includes a new connectivity hub in Southern Thailand, developed in partnership with AIS and **International Gateway Co., Ltd. (IGC) (a subsidiary of ALT)**, solidifying Thailand's role as a regional Digital Gateway.

2) Establishment of a New Subsidiary

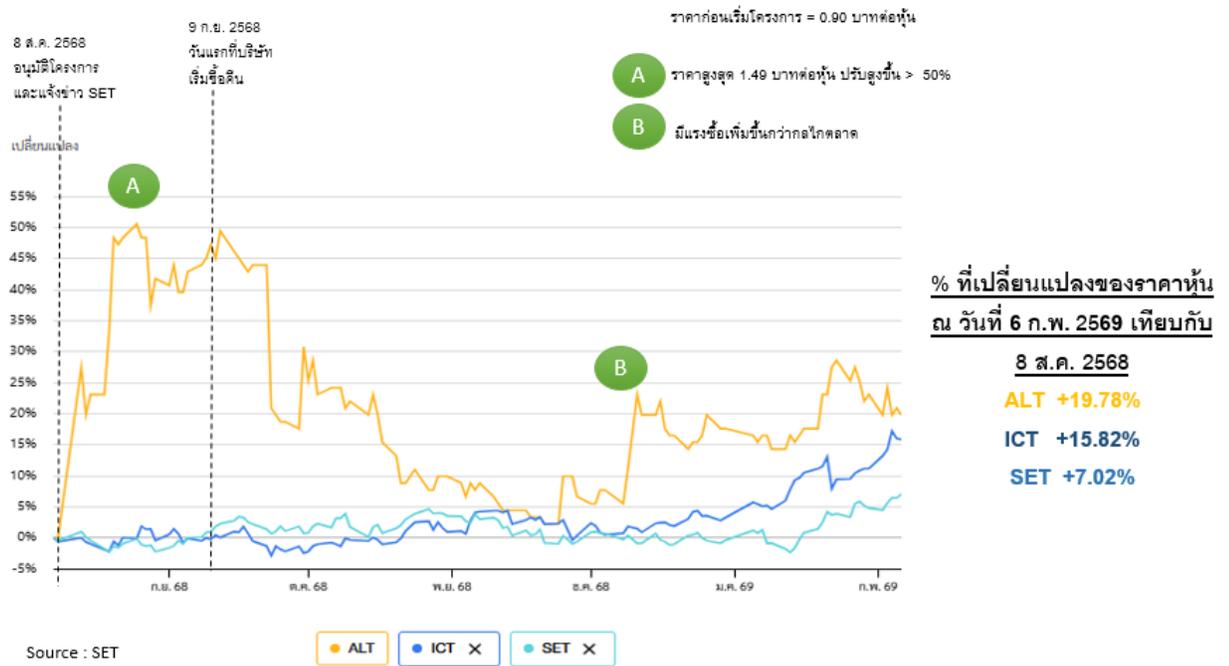
At the Board of Directors' Meeting No. 7/2025, on December 23, 2025, to consider and approve the establishment of a new subsidiary company with details as follows:

- Company Name: Greenerize Co., Ltd.
- Registered Capital: THB 30 million (Paid-up: THB 7.50 million).
- Objective: To produce and sales electricity from Community-based Solar Farm Project.
- Shareholding Structure: ALT Telecom PCL holds 99.99% of the shares.
- Source of Funds: Working capital of the company.

3) Share Repurchase Project

At the Board of Directors Meeting No. 5/2025 of the Company held on August 8, 2025, the Board approved shares repurchase for financial management purpose with amount not exceeding THB 20.00 million, approximately represents 22.00 million shares or less than 1.94% of the total issued shares. The Company will repurchase the ordinary shares via main board of the Stock Exchange of Thailand within 6 months, by February 28, 2026

Figure showing stock price movements from the project approval date to February 6, 2026



4) Network Investment Projects

At the Board of Directors' meeting No. 5/2025 on August 8, 2025 of ALT Telecom Public Company Limited, the Board has resolved to approve a total investment of THB 1,594 million for two major fiber optic network projects:

- A high-security fiber optic route between Bangkok and the Eastern Economic Corridor (EEC).
- A new subsea cable project connecting the coastal station in Satun province.

5) Capital and Shareholder Restructuring

At the Annual General Meeting for the year 2025 of the Company held on 25 April 2025, the meeting passed a resolution to transfer legal reserve amounting to THB 62,500,000 and share premium amounting to THB 225,000,000 to offset with the deficits. There is no effect to the total balance of equity.

6) Restructuring of the shareholders of Smart Infranet Co., Ltd. (“SIC”)

As of June 11, 2025, the share purchase between the existing shareholders and the new investors, including the restructuring of SIC's shareholding through ALT's subsidiary, has been transferred and paid completely. Finally, SIC still has been a joint venture under the ALT group with the same proportion of 49 percent.

7) Innovation and Sustainability Recognition

Energy Max Co., Ltd. (“EMAX”), a subsidiary of ALT, has successfully registered its products in the Thai Innovation List of the Bureau of the Budget, Ministry of Finance. The registered products are under the generic name “Electronic Watt-Hour Meter” and the trade name “Smart Meter Energy Max,” covering a total of 4 models.

Furthermore, two product models have also been awarded the 'dSURE 1-Star' certification for Safety by the Digital Economy Promotion Agency (depa).

8) Corporate Governance



ALT group was awarded a 5-star "Excellent" rating for the six consecutive year and achieved a perfect score of 100 points for the eighth consecutive year in the Corporate Governance Report of Thai Listed Companies (CGR) assessment. This achievement reaffirms the company's continuous development of good corporate governance practices, incorporating both national and international sustainability standards into its operations. These practices comprehensively address environmental, social, and economic (ESG) dimensions, while ensuring responsible business conduct towards all stakeholders, fostering long-term confidence among shareholders.

9) Sustainability



ALT received an "A" rating in the SET ESG Ratings 2025 from the Stock Exchange of Thailand, reflecting its commitment to Environmental, Social, and Governance standards.

3. Operational Summary

The performance of ALT Telecom Public Company Limited (“ALT” or the “Company”) as presented in consolidated financial statement for the year ended December 31, 2025 compared to same period of previous year are summarized as follows;

Income Statement	Million THB						Million THB			
	2025		2024		Inc (Dec)		Q4/2025	Q4/2024	Inc (Dec)	
Revenues										
Sales	203.70	13.6%	147.85	11.6%	55.84	37.8%	46.41	17.37	29.04	167.2%
Services- construction	603.36	40.4%	415.74	32.7%	187.61	45.1%	233.18	86.77	146.41	168.7%
Services - network	688.04	46.0%	709.48	55.7%	(21.44)	-3.0%	203.04	170.19	32.86	19.3%
Total revenues	1,495.09	100.0%	1,273.07	100.0%	222.02	17.4%	482.62	274.32	208.30	75.9%
Cost										
Cost of sales	(160.26)	-78.7%	(134.22)	-90.8%	26.04	19.4%	(41.47)	(14.54)	26.93	185.2%
Cost of services - construction	(496.00)	-82.2%	(301.52)	-72.5%	194.48	64.5%	(215.68)	(63.77)	151.91	238.2%
Cost of service - network	(581.24)	-84.5%	(587.32)	-82.8%	(6.07)	-1.0%	(177.72)	(151.15)	26.56	17.6%
Total cost	(1,237.51)	-82.8%	(1,023.06)	-80.4%	214.45	21.0%	(434.87)	(229.46)	205.41	89.5%
Gross (loss) profit										
Sales	43.43	21.3%	13.63	9.2%	29.80	218.6%	4.94	2.83	2.11	74.6%
Services- construction	107.35	17.8%	114.22	27.5%	(6.87)	-6.0%	17.50	23.00	(5.50)	-23.9%
Services - network	106.80	15.5%	122.16	17.2%	(15.36)	-12.6%	25.32	19.03	6.29	33.0%
Gross (loss) profit	257.58	17.2%	250.01	19.6%	7.57	3.0%	47.76	44.86	2.90	6.5%
Other income	47.42	3.2%	19.86	1.6%	27.56	138.8%	28.32	10.01	18.31	183.0%
Selling expenses	(86.30)	-5.8%	(88.19)	-6.9%	(1.89)	-2.1%	(21.15)	(26.08)	(4.94)	-18.9%
Administrative expenses	(112.16)	-7.5%	(122.10)	-9.6%	(9.94)	-8.1%	(28.46)	(31.10)	(2.63)	-8.5%
Reversal (recognition) of expected credit loss	(4.76)	-0.3%	5.64	0.4%	10.40	184.5%	(3.31)	5.92	9.23	155.9%
Other gain (loss)	64.61	4.3%	2.12	0.2%	62.48	2941.0%	(5.84)	11.00	(16.84)	-153.0%
Share of loss of associate & JV	(5.82)	-0.4%	3.20	0.3%	(9.02)	-281.9%	(11.88)	0.49	(12.37)	-2517.5%
Finance costs	(57.42)	-3.8%	(50.65)	-4.0%	6.77	13.4%	(14.43)	(20.86)	(6.43)	-30.8%
Profit (loss) before income tax	103.14	6.9%	19.88	1.6%	83.26	418.8%	(9.00)	(5.75)	(3.25)	-56.4%
Income tax	(21.60)	-1.4%	(11.78)	-0.9%	9.82	83.3%	(7.79)	0.01	7.80	78595.2%
Profit (loss) for the period	81.54	5.5%	8.10	0.6%	73.44	906.6%	(16.79)	(5.74)	(11.05)	-192.4%

- Total revenue increased by 17.4% or THB 222.02 million, and gross profit increased by 3.0% or THB 7.57 million, with the gross profit margin slightly declining from 19.6% to 17.2%.
- Revenue from sales of goods increased by 37.8% or THB 55.84 million due to additional sales of signal equipment during the year.
- Revenue from installation, system installation and maintenance services increased by 45.1% or THB 187.61 million.
- Revenue from network services decreased by 3.0% or THB 21.44 million because during the third quarter of 2024, the Company had received a special order for short-term services from a foreign customer to replace its damaged network.

- Other income increased due to the management and follow-up of VAT refunds.
- Selling expenses decreased by 2.1%, while administrative expenses decreased by 8.1%.
- Recognized credit loss of THB 4.76 million, which is expected to be reversed in Q1/2026.
- Other gain, which consisted of gain (loss) from foreign exchange, gain from sales and management of assets, totaling to THB 64.61 million compared to the last year, which was THB 2.12 million.
- Financial costs increased by THB 6.77 million, which is interest expense on lease liabilities, not interest expense from loans. This is a result of the Company's network expansion, investing in itself and the long-term network lease agreements from the Partners, resulting in the recognition of right-of-use assets on network and land lease contracts, along with lease liabilities amounting to THB 86.26 million and THB 85.07 million, respectively. The increased lease liabilities have resulted in an interest expense, which is in accordance with Financial Reporting Standard No. 16 - Leases.
- The Company had a net profit of THB 81.54 million, increased by THB 73.44 million.
- At the end of 2025, the Company had a backlog of THB 4,878.20 million.

Q4/2025 vs. Q4/2024 Operating Results

- Total revenue increased by 75.9% or THB 208.3 million, while gross profit increased by 6.5% or THB 2.90 million.
- The operating result for Q4/2025 recorded a net loss of THB 16.79 million, primarily due to the recognition of share of profit (loss) from associates and joint ventures.

4. Financial position

	Million THB		
Financial Position	31-Dec-25	31-Dec-24	Inc (Dec)
Assets			
Current assets	1,128.21	1,290.56	(162.35)
Non-current assets	3,175.38	2,933.77	241.61
Total assets	4,303.59	4,224.33	79.26
Liabilities & equity			
Current liabilities	923.48	1,019.27	(95.79)
Non-current liabilities	1,694.14	1,585.48	108.66
Total liabilities	2,617.62	2,604.75	12.87
Equity			
Paid-up capital	566.11	566.11	-
Share premium	1,116.06	1,341.06	(225.00)
Other component	32.50	32.75	(0.25)
Retained earning			-
Legal reserve	1.10	62.50	(61.40)
Appropriated - Treasury share reserve	14.89	-	14.89
Unappropriated	(29.93)	(383.02)	353.09
Less Treasury shares	(14.89)	-	(14.89)
Non-controlling interests	0.12	0.17	(0.05)
Total equity	1,685.97	1,619.58	66.39
Total liabilities & equity	4,303.59	4,224.33	79.26
	31-Dec-25	31-Dec-24	
Debt to equity	1.55	1.61	
Net interest bearing debt to Equity	0.04	0.07	
Current Ratio	1.22	1.27	

- Total assets increased by THB 79.26 million, with the main items of increased assets being bank deposits of THB 38.47 million, loans to related parties of THB 49.84 million, right-of-use assets of THB 86.26 million, fiber optic network of THB 62.74 million and equipment of THB 15.54 million. The assets that decreased were trade receivables and contract receivables of THB 55.68 million, inventories of THB 11.57 million, Investment and deposits for guarantee of THB 3.13 million and other current assets of THB 103.19 million.
- Total liabilities increased by THB 12.87 million. The items of increased liabilities consisted of lease liabilities THB 85.07 million, the estimated demolition costs of THB 4.96 million, Corporate income tax and payable and others of THB 15.64 million. While the major items of decreased liabilities were advances received from customers

decreased by THB 66.74 million and bank loans of THB 15.87 million and trade payable of THB 10.19 million.

- Shareholders' Equity as of December 31, 2025, totaled THB 1,685.97 million, an increase of THB 66.39 million from December 31, 2024. Additionally, the value of treasury stock (share repurchase) was THB 14.89 million from the total limit not over THB 20.00 million.

Financial ratios

- The Debt-to-Equity (D/E) ratio at the end of 2025 stood at 1.55 times, decreasing from 1.61 times. Furthermore, the Net Interest-Bearing Debt to Equity ratio improved, declining from 0.07 to 0.04.
- The Current Ratio was 1.22 times, a slight decrease from 1.27 in 2024.

Statement of Cash Flows	Million THB	
	2025	2024
Cash flows from operating activities	386.10	698.14
Cash flow from investing activities	(184.07)	(360.28)
Cash flows from financing activities	(158.66)	(226.42)
Net increase (decrease) in cash and cash equivalents	43.37	111.44
Opening balance of cash and cash equivalents	246.31	137.01
Effect of currency translation of cash and cash equivalents	(4.91)	(2.14)
Closing balance of cash and cash equivalents	284.77	246.31

In 2025, the Company had cash at the beginning of the year of THB 246.31 million and net cash flow from operations of THB 386.10 million.

The Company managed cash by maintaining a balance between liquidity management, investment for growth and financial cost management for maximum efficiency. It spent THB 184.07 million on investment.

In terms of financing activities, the Company made cash payments of THB 143.77 million for debt repayments and THB 14.89 million for treasury share repurchases. At the end of 2025, the Company had cash remaining of THB 284.77 million.

5. Factors Influencing Future Operations and Growth

ALT Telecom Public Company Limited has established a strategic foundation to support significant growth in 2026 and over the long term. This is achieved through the integration of "Digital Infrastructure" and "Clean Energy Infrastructure," driven by the following key factors:

1) Expansion of Global Data Centers (Hyper-scale Cloud Integration)

^{2 / 3} The official launch of a new Cloud Region in Thailand by a leading global cloud provider on January 21, 2026, backed by an investment exceeding \$1 billion, marks a pivotal moment. Combined with the surging investment in Data Centers and Cloud Services—which has skyrocketed to over THB 380 billion - this trend reinforces Thailand's transition into a definitive ASEAN Data Center Hub and presents a significant strategic opportunity for the Group.

These developments will be the primary catalysts for high-speed, low-latency connectivity demands across the region. ALT Telecom Public Company Limited is exceptionally positioned to meet this demand through its extensive nationwide fiber optic network. By leveraging strategic routes along railways, expressways, and high-security paths, alongside more than 15 international border crossing points, the Group serves as a vital engine in linking Thailand's digital infrastructure to the rest of ASEAN.

² source: <https://www.forbesthailand.com/news/it/google-invests-1-b-in-thailand-launches-bangkok-cloud-region>

³ source: <https://www.efinancethai.com/recommended-for-you/thailand-asean-data-center-hub>

2) Driving Towards Green Energy (Synergy with Green Energy)

To align with the sustainability goals of both the ALT Group and its partners, ALT Telecom has expanded its business base into Smart Energy to meet this rising demand:

Eco-friendly Infrastructure: The Group plans to provide clean energy solutions for Data Centers and network connection points, assisting global partners in reducing greenhouse gas emissions.

Energy Utilities: Offering products that support digital energy systems, including smart grid management solutions, smart energy monitoring systems, and the production and distribution of electronic and smart meters.

Green Energy: Engaging in the production and sale of electricity from clean energy sources, such as solar power systems, and exploring alternative sources like hydrogen. This includes participating in community-based projects and partnerships to create new, stable, and sustainable revenue streams supported by government policies, such as the Community-based Solar Farm Project.

6. Sustainable Development

ALT Telecom Public Company Limited recognizes that modern business operations must look beyond financial performance to consider impacts on society, the environment, and all stakeholders. Consequently, the Company has defined a sustainability management framework by integrating Environmental, Social, and Governance (**ESG**) principles into project implementation and business decision-making at all levels.

Given the nature of ALT's business—which involves telecommunications infrastructure, digital technology, and government projects—the Company prioritizes responsible project management. This commitment spans from planning and design to procurement, installation, and delivery, focusing on quality, safety, resource efficiency, and strict compliance with relevant laws and regulations to create sustainable value for customers, partners, and society.

Key projects reflecting the Company's commitment to sustainability include the **Smart Pole** and **Smart Meter** (AMI/AMR) projects. These represent digital infrastructure that enhances the efficiency of energy and utility management. The Smart Pole project integrates communication systems, digital technology, and smart devices into a single platform. Meanwhile, the Smart Meter project enables real-time monitoring and transmission of energy consumption data, reducing human error in meter reading, increasing transparency, and supporting data analytics for optimized energy planning. Both projects play a vital role in supporting the development of **Smart Cities** and **Smart Grids**.



Smart Pole installation at the 72nd Anniversary Queen Sirikit Park, Thalang Road, Phuket

Social Dimension

The Company is committed to the continuous development of its personnel's potential through training and upskilling programs aligned with technological advancements. This focus particularly targets skills related to digital systems, smart infrastructure, and Smart Meter systems. Furthermore, the Company strives to foster a safe and fair working environment that upholds and respects human rights.

In addition, the Company prioritizes engagement with local communities in project areas—such as the Smart Pole and Smart Meter projects—to build understanding regarding equipment installation, minimize public impact, and promote sustainable, positive relationships between the Company and the community.

Environmental Dimension

ALT aims to minimize the environmental impact of its operations and various projects by improving operational efficiency and selecting technologies that reduce energy and resource

consumption. This includes the proper management of waste and electronic equipment. The Smart Meter project supports efficient energy usage, reduces energy loss within the power system, and enables relevant agencies to better manage energy resources. Meanwhile, the Smart Pole project helps reduce infrastructure redundancy and increases the efficiency of shared resource utilization, aligning with the Company's long-term environmental goals.

Risk Management and Governance

The management has integrated risk management into project implementation and corporate strategy to mitigate uncertainties arising from economic shifts, government policies, technological changes, and supply chain disruptions. Both the Smart Pole and Smart Meter projects are subject to close risk assessment and monitoring, covering technical performance, operations, data security, and regulatory compliance. This is conducted under a good corporate governance framework and internal control systems that meet international standards.

Commitment to Sustainability

The Company firmly believes that sustainability management not only strengthens stakeholder confidence but also serves as a crucial foundation for long-term stability. Consequently, ALT is dedicated to developing its businesses and projects—including the Smart Pole and Smart Meter initiatives—in accordance with the concept of "Quality Growth." This approach balances economic value creation with social and environmental responsibility to support the sustainable development of both the organization and the nation in the future.



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