

13 November 2025

Subject Management Discussion and Analysis for three-month period ending 30 September 2025

To Managing Director

The Stock Exchange of Thailand

We, Srisawad Capital 1969 Public Company Limited (the “Company”), would like to provide an overview of the financial performance for the three-month period ending 30 September 2025 the details as below.

1. Overview of the Company’s Business:

During the second half of 2025, the global economy continued to experience a prolonged slowdown from the previous year. However, signs of stabilization and a gradual recovery began to emerge toward the end of the year. The International Monetary Fund (IMF) projected global economic growth in 2025 at approximately 2.8-3.0 percent. Meanwhile, global interest rates have started to trend downward following signals from the U.S. Federal Reserve (FED) indicating the beginning of an interest rate cut cycle later in the year - a development that has provided positive momentum for global investment sentiment and financial market liquidity.

Domestically, the Thai economy remained on a recovery path, albeit at a slower pace than previously anticipated. The nation’s GDP is expected to expand by 2.5-3.0 percent, constrained by persistently high household debt levels, which have weighed on consumer purchasing power and debt-servicing capability. Additionally, cross-border trade disruptions stemming from tensions along the Thai-Cambodian border have further dampened economic activity.

On the monetary policy front, the Monetary Policy Committee (MPC) has implemented three policy rate cuts during 2025, lowering the benchmark rate from 2.25 percent at the beginning of the year to 1.50 percent currently. Although the MPC decided to maintain the rate at its latest meeting in October, further easing remains possible should the overall economy continue to show signs of weakness. Such measures would help reduce financial costs for households and businesses while enhancing liquidity in Thailand’s capital and hire-purchase markets - particularly beneficial for the industry in early 2026.

For the third quarter of 2025, the Company reported a net profit of 303.73 million Baht, representing an increase of 31.08 percent year-on-year and 62.28 percent quarter-on-quarter. For the nine-month of 2025 net profit accounted 669.10 million Baht, increased 22.68% from the same period of previous year. This strong performance reflected the Company’s ongoing commitment to improving credit portfolio quality and enhancing operational efficiency through disciplined cost management.

The Company continued to adopt prudent lending practices by tightening customer screening processes and reducing the Loan-to-Value (LTV) ratio per customer, contributing to the notable improvement in financial performance. Concurrently, the Company has placed strong emphasis on

strengthening debt management and accelerating collection processes to ensure greater effectiveness and timeliness.

The Company has undertaken strategic investments to enhance and digitalize its management and operational systems in preparation for the upcoming regulatory supervision of the hire-purchase business by the Bank of Thailand, which will become effective in December 2025. The introduction of this regulatory framework is expected to establish a more transparent and standardized supervisory environment across the industry, particularly in areas concerning costs and asset quality management. This initiative is anticipated to enhance operational transparency and strengthen market confidence in the hire-purchase sector.

2. Operating Results:

Revenue

Items	Q3/2025	Comparing YoY		Comparing QoQ	
		Q3/2024	% YoY	Q2/2025	% QoQ
Loans to customers and accrued interest	26,516.63	33,011.95	-19.68	27,960.56	-5.16
Interest income	1,352.43	1,696.08	-20.26	1,412.67	-4.26
Other income	301.21	203.41	48.08	203.48	48.03
Net profit	303.73	231.71	31.08	187.16	62.28

Key factors

- **Interest income**

For the three-month period ended 30 September 2025, interest income reported at 1,352.43 million Baht, a decrease of 20.26% from the same quarter of the previous year and a decrease of 4.26% from the previous quarter. This was a result from decrease in the loan portfolio from 33,011.95 million Baht as of 30 September 2024 to 26,516.63 million Baht as of 30 September 2025, a decrease of 19.68% from the same quarter from the previous year and a decrease 5.16% from previous quarter.

- **Other income**

For the three-month period ended 30 September 2025, other income reported at 301.21 million Baht, representing an increase of 48.08% from the same quarter of the previous year and an increase of 48.03% from the previous quarter. This increase was primarily driven by gain on fair value remeasurement of investment in equity securities amounted to 85.82 million Baht. Other recurring income continued to rise from the previous quarter.

- **Net Profit**

For the third quarter of 2025, the Company reported a net profit of 303.73 million Baht, representing an increase of 31.08 percent year-on-year and 62.28 percent quarter-on-quarter. This strong performance reflected the Company's ongoing commitment to improving credit portfolio quality and enhancing operational efficiency through disciplined cost management.

Expenses

Unit: million Baht		Comparing YoY		Comparing QoQ	
Items	Q3/2025	Q3/2024	% YoY	Q2/2025	% QoQ
Servicing expenses	219.77	325.55	-32.49	234.04	-6.10
Administrative expenses	426.12	629.52	-32.31	430.01	-0.90
<i>-Losses on sales of properties foreclosed</i>	<i>99.64</i>	<i>271.08</i>	<i>-63.24</i>	<i>141.15</i>	<i>-29.41</i>
Expected credit loss	406.96	373.30	9.02	448.99	-9.36
Finance costs	227.11	310.23	-26.79	262.98	-13.64

Key factors

- Operating Expenses**

For the three-month period ended 30 September 2025, servicing and administrative expenses amounted to 645.89 million Baht, a decrease of 32.37% from the same quarter of the previous year and a continued decrease of 2.73% from the previous quarter. The reduction was primarily attributable to the Company's ongoing cost optimization initiatives, including improvements in operational efficiency and the realignment of commission and incentive structures to better align with the Company's strategic objectives.

- Loss on disposal of properties foreclosed**

For the three-month period ended 30 September 2025, the Company recorded loss on disposal properties foreclosed of 99.64 million Baht, a decrease of 63.24% from the same quarter of the previous year and a continued decrease of 29.41% from the previous quarter. This was partly due to the Company's revised lending policy, which focuses on credit quality and involves lowering the loan-to-value (LTV) ratio for customers.

- Expected Credit Loss**

For the three-month period ended September 30, 2025, the Company recorded expected credit losses (ECL) of Baht 406.96 million Baht, representing a decrease of 9.36% from the previous quarter, although increasing by 9.02% compared to the same quarter of the previous year. This reflects that overall economic conditions remain fragile due to both domestic and external factors, despite showing signs of gradual improvement.

The Company believes that its prudent credit policies implemented in recent periods, combined with proactive and timely risk management measures to mitigate potential credit issues before they arise, have ensured that provisions remain appropriate and adequate. The Company will continue to closely monitor trends in asset quality and risk exposure, managing risks in accordance with established policies to safeguard the long-term interests and financial stability of its shareholders.

- **Finance Costs**

For the three-month period ended September 30, 2025, total finance costs amounted to 227.11 million Baht, representing a decrease of 26.79% from the same quarter of the previous year and a decline of 13.64% from the previous quarter. The reduction was mainly attributable to the repayment of maturing borrowings carrying higher interest rates compared to newly obtained facilities, thereby lowering the Company's overall funding cost. This improvement was supported by the Company's credit rating of A- with a "Stable" outlook assigned by Fitch Ratings (Thailand), which has also enabled the Company to access additional credit lines and strengthen its funding capacity in preparation for future business expansion once market conditions become more favorable.

3. Quality of loan portfolio:

Unit: million Baht	<u>Comparing YoY</u>		<u>Comparing QoQ</u>		
Items	Q3/2025	Q3/2024	% YoY	Q2/2025	% QoQ
Loans to customers and accrued interest	26,516.63	33,011.95	-19.68	27,960.56	-5.16
Non-performing loans (NPL)	1,346.18	1,258.08	7.00	1,288.57	4.47

As of 30 September 2025, non-performing loans (NPLs) amounted to 1,346.18 million Baht, an increase of 4.47% from the previous quarter. The NPL coverage ratio represented at 64.47%. It is noteworthy that the aforementioned loans were originated prior to the Company's enhancement of its operational processes and the tightening of its credit approval standards. The Company is confident that loans granted following these improvements are of significantly higher quality, which will in turn contribute positively to the Company's sustained operational performance going forward.

4. Financial Position

Unit: million Baht	<u>Comparing YoY</u>		<u>Comparing QoQ</u>		
Items	Q3/2025	Q3/2024	% YoY	Q2/2025	% QoQ
Total current assets	18,612.87	19,250.72	-3.31	17,828.95	4.41
Total non-current assets	11,016.05	17,075.49	-35.48	12,293.97	-10.41
Total assets	29,628.92	36,326.21	-18.44	30,122.92	-1.64
Total current liabilities	13,488.86	19,782.33	-31.81	13,220.40	2.03
Total non-current liabilities	4,880.35	6,185.69	-21.10	5,943.30	-17.88
Total liabilities	18,369.20	25,968.02	-29.26	19,163.70	-4.15
Equity	11,259.71	10,358.19	8.70	10,959.22	2.74
Total liabilities and equity	29,628.92	36,326.21	-18.44	30,122.92	-1.64

- **Total assets**

As of 30 September 2025, total assets reported at 29,628.92 million Baht, representing a decrease of 18.44% from 30 September 2024. Meanwhile, the total loan portfolio stood at 26,516.63 million Baht, decreasing 19.68% compared to 30 September 2024. This contraction primarily reflected the Company's strategic focus on maintaining asset quality as a top priority amid a backdrop of



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continued economic uncertainty. Rather than pursuing aggressive portfolio expansion, the Company has emphasized prudent credit management and portfolio optimization to ensure sustainable long-term stability. Nonetheless, the Company remains well-positioned to resume loan portfolio growth once market conditions show clear signs of improvement and greater economic stability.

- **Total liabilities**

As of 30 September 2025, total liabilities amounted to 18,369.20 million Baht, decreasing of 29.26% compared to 30 September 2024. This reduction was primarily due to repayments of short-term and long-term borrowings and matured debentures.

Best regards,

Ms. Doungchai Kaewbootta

(Ms. Doungchai Kaewbootta)

Acting Chief Executive Officer