



Srisawad Capital 1969 Public Company Limited
99/392 Srisawad Bldg., 1,5,6 Floor
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Subject Management Discussion and Analysis for three-month period ending 31 March 2026

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 three-month period ending 31 March 2026. The details are as below.

1. Overview of the Company’s Business:

During the first quarter of 2026, Thai economy remained fragile due to structural factors, despite continued support from the tourism sector, private consumption and the government’s economic stimulus measures. Geopolitical tensions in the Middle East during March caused volatility in global energy prices, which affected both the cost of living and operating costs across the consumer and private sectors, resulting in higher inflation compared to the previous period. Disruptions to global supply chains and oil transportation, including the closure of the Strait of Hormuz, have had a significant negative impact on the global economy and are expected to affect Thailand’s economic recovery over the medium term.

For the first quarter of 2026, the Company reported a net profit of 420.77 million Baht, representing an increase of 136.11% compared to the same quarter of the previous year and an increase of 88.66% compared to the previous quarter. This improvement was attributable to the continuous enhancement of loan portfolio quality and improved efficiency in expense management. The Company continued to apply stringent and disciplined customer screening criteria while reducing the loan-to-value ratio for customers. In addition, the Company remained focused on debt management and collection processes to improve efficiency, speed, and effectiveness. Furthermore, the introduction of new lending products, such as the Locked Phone business, which had undergone business model testing for more than 18 months, contributed positively to the Company’s revenue generation.

The Company continues to prepare for sustainable and high-quality growth in the future by continuously improving and developing its operational systems to enhance operational capabilities and competitiveness. The Company focuses on strengthening its loan portfolio across all dimensions on a solid foundation, while seeking opportunities to generate additional income from related businesses by maximising the efficiency of existing resources. These efforts are intended to support stable and sustainable profitability over the long term.

2. Significant development

The Company seeks stable and sustainable growth by expanding its hire purchase financing services to a broader consumer base. The Company has commenced the expansion of mobile phone hire purchase financing services through the Locked Phone system, covering more than 7,000 partner mobile phone stores nationwide. The Company aims to become a leader in mobile phone hire purchase financing through the Locked Phone system within the next two years.

3. Operating Results:

Revenue

Unit: million Baht

Items	Q1/2026	Comparing YoY		Comparing QoQ	
		Q1/2025	% YoY	Q4/2025	% QoQ
Interest income	1,201.18	1,241.91	-3.28	1,127.10	6.57
Other income	260.79	242.84	7.39	213.54	22.13
Total income	1,461.93	1,484.74	-1.54	1,340.64	9.05
Net profit	420.77	178.21	136.11	223.03	88.66

Key factors

- **Interest income**

For the three-month period ended 31 March 2026, interest income amounted to 1,201.18 million Baht, representing a decrease of 3.28% compared to the same quarter of the previous year. This was mainly due to the decline in the loan portfolio, in line with the Company's stricter lending policy. The loan portfolio decreased from 29,245.03 million Baht as of 31 March 2025 to 25,624.69 million Baht as of 31 March 2026, a decline of 12.38% compared to the same quarter of the previous year. However, interest income increased by 6.57% compared to the previous quarter, driven by the commencement of the Company's mobile phone hire purchase financing business since mid-2025.

- **Other income**

For the three-month period ended 31 March 2026, other income amounted to 260.79 million Baht, representing an increase of 7.39% compared to the same quarter of the previous year and an increase of 22.13% compared to the previous quarter. The main driver was the increase in bad debt recovery income, which rose by 24.88 million Baht, or 56.09%, compared to the same quarter of the previous year. This improvement was attributable to enhanced efficiency in debt collection and recovery processes, as well as the continuous management of written-off accounts.

- **Net profit**

For the first quarter of 2026, the Company reported a net profit of 420.77 million Baht, an increase of 136.11% compared to the same quarter of the previous year and an increase of 88.66% compared to the previous quarter. This performance reflected the Company's commitment to improving loan portfolio quality, as well as effective cost management and operational expense control, together with appropriate management of financial costs. In addition, the development of

new lending products, such as the mobile phone hire purchase financing business through the Locked Phone system, is expected to generate sustainable long-term profitability for the Company.

Expenses

Items	Q1/2026	Comparing YoY		Comparing QoQ	
		Q1/2025	% YoY	Q4/2025	% QoQ
Services and administrative expenses	414.13	581.47	-28.78	457.16	-9.41
<i>-Losses on sales of properties foreclosed</i>	96.05	176.71	-45.65	121.84	-21.17
Expected credit loss	319.42	404.18	-20.97	392.01	-18.52
Finance costs	194.54	273.98	-28.99	218.38	-10.92

Key factors

- **Operating Expenses**

For the three-month period ended 31 March 2026, service and administrative expenses totaled 516.38 million Baht, representing a decrease of 28.78% compared to the same quarter of the previous year and a continued decline of 9.41% compared to the previous quarter. This was attributable to improvements in operational efficiency and the Company's continued efforts to reduce expenses, including adjustments to the dealer commission structure and workforce size to align with the Company's strategic direction.

- **Loss on disposal of properties foreclosed**

For the three-month period ended 31 March 2026, the Company recognised a loss on sales of properties foreclosed amounting to 96.05 million Baht, a decrease of 45.65% compared to the same quarter of the previous year and a continued decline of 21.17% compared to the previous quarter. This was partly a result of revised lending policy, which places greater emphasis on loan quality and includes reductions in loan-to-value ratios for customers. In addition, prices of used motorcycles in the market have shown signs of stabilisation, enabling the Company to manage the disposal of repossessed assets more efficiently and continuously reduce losses from such asset sales.

- **Finance Costs**

For the three-month period ended 31 March 2026, finance costs amounted to 194.54 million Baht, representing a decrease of 28.99% compared to the same quarter of the previous year and a decrease of 10.91% compared to the previous quarter. This was mainly attributable to the Company's repayment of matured borrowings carrying higher interest rates than newly sourced financing available in the current market, in order to reduce the Company's financial cost burden. This was supported by the Company's credit rating of A- with a "Stable" outlook assigned by Fitch Ratings (Thailand), which has also created opportunities for the Company to secure additional credit facilities to support future growth when market conditions become more favorable, while benefiting from significantly lower financing costs.

Quality of loan portfolio:

Unit: million Baht		<u>Comparing YoY</u>		<u>Comparing QoQ</u>	
Items	Q1/2026	Q1/2025	% YoY	Q4/2025	% QoQ
Loans to customers and accrued interest	25,624.69	29,245.03	-12.38	25,750.13	-0.49
Non-performing loans (NPL)	1,392.88	1,239.35	12.39	1,341.58	3.82

Key factors

- **Non-performing loans**

Credit-impaired financial assets (NPL) amounted to 1,392.88 million Baht as of 31 March 2026, representing an increase of 3.82% from the end of the previous quarter. This increase was mainly from the extension of debt repayment periods in accordance with the Responsible Lending measures introduced by the Bank of Thailand, as well as the remaining legacy loan portfolio originated prior to the implementation of stricter underwriting criteria and enhanced operational processes.

- **Expected Credit Loss**

For the three-month period ended 31 March 2026, the Company recorded expected credit losses of 319.42 million Baht, representing a decrease of 20.97% compared to the previous quarter. The reduction in expected credit losses was attributable to the Company's more prudent management of loan portfolio quality, including lower loan-to-value (LTV) levels and stricter debtor screening criteria. As a result, the overall collateral quality of the portfolio improved, helping to reduce credit loss risk.

4. Financial Position

Unit: million Baht		<u>Comparing YoY</u>		<u>Comparing QoQ</u>	
Items	Q1/2026	Q1/2025	% YoY	Q4/2025	% QoQ
Total current assets	18,209.61	19,503.17	-6.63	18,962.44	-3.97
Total non-current assets	10,189.33	13,719.23	-25.73	10,316.81	-1.24
Total assets	28,398.94	33,222.40	-14.52	29,279.25	-3.01
Total current liabilities	13,237.06	15,632.12	-15.32	13,598.25	-2.66
Total non-current liabilities	3,236.23	6,780.45	-52.27	4,210.93	-23.15
Total liabilities	16,473.29	22,412.57	-26.50	17,809.18	-7.50
Equity	11,925.65	10,809.83	10.32	11,470.07	3.97
Total liabilities and equity	28,398.94	33,222.40	-14.52	29,279.25	-3.01

- **Total assets**

Total assets as of 31 March 2026 amounted to 28,398.94 million Baht, representing a decrease of 14.52% compared to 31 March 2025. Meanwhile, the total loan portfolio amounted to 25,624.69 million Baht, declining by 12.39% from 31 March 2025. The decrease was attributable to the Company's strong emphasis on loan quality as a key priority, together with the continued

uncertainty in the overall domestic economic environment. Accordingly, the Company considers improving loan portfolio quality to be more important than accelerating portfolio expansion amid heightened economic uncertainties arising from both domestic and international factors. Nevertheless, the Company remains well-positioned to expand its loan portfolio immediately once market conditions improve.

- **Total liabilities**

Total liabilities amounted to 16,473.29 million Baht as of 31 March 2026, representing a decrease of 26.50% compared to 31 March 2025, primarily due to repayments of short-term borrowings and matured long-term debentures.

- **Equity**

Shareholders' equity amounted to 11,925.65 million Baht as of 31 March 2026, an increase of 10.32% compared to the same quarter of the previous year, primarily attributable to the increase in retained earnings in line with the Company's operating results.

- **Liquidity**

As of 31 March 2026, the Company maintained ending cash and cash equivalents of 2,054.39 million Baht, reflecting sufficient liquidity to support its business operations. The Company generated net cash flows from operating activities of 832.82 million Baht. In addition, the Company utilised excess liquidity to repay loans and redeem matured debentures amounting to 1,731.40 million Baht through financing activities, in order to reduce the Company's financial cost burden.

5. Factors that may affect operations or growth

Based on forecasts indicating a slowdown in Thailand's economic growth in 2026, together with geopolitical tensions in the Middle East that emerged toward the end of the quarter, global energy prices experienced significant volatility. This has affected the cost of living and business operating costs for the Thai public and may adversely impact the debt repayment capability of consumers.



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6. Sustainability Development

The Company remains committed to its mission, “Enhancing the quality of life for Thai society,” by adhering to sustainable development principles and aligning its operations with international sustainability standards. The Company strives to maintain and strengthen balance across the three key dimensions of Environmental, Social, and Governance (ESG), in line with the Sustainable Development Goals (SDGs), while supporting the principles of Responsible Lending in creating business opportunities and shared value for all stakeholder groups. In 2026, the Company will continue to operate under its existing management approach, with a strong commitment to driving business growth in order to create value for shareholders, customers, and all stakeholders, while conducting business responsibly and growing sustainably alongside Thai society.

Best regards,

Ms. Doungchai Kaewbootta
(Ms. Doungchai Kaewbootta)
Acting Chief Executive Officer