

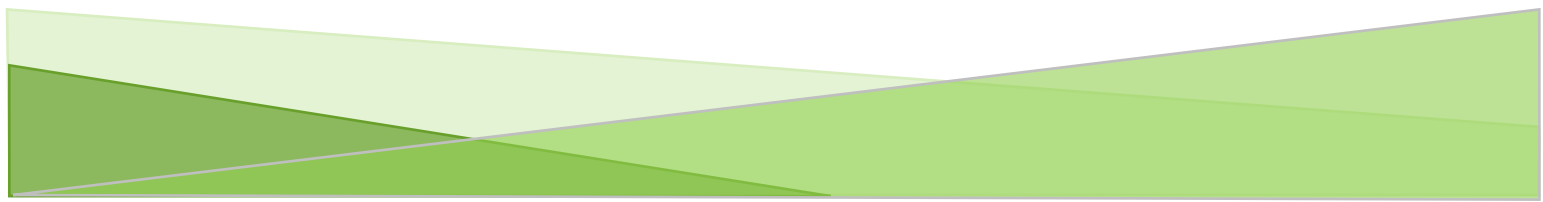


Management Discussion and Analysis

MBK Public Company Limited and its subsidiaries

For the three-month period ended 31 March 2026

(The first quarter)



Economic Overview and Key Events

Thailand's economy in the first quarter of 2026 showed signs of stabilizing compared to the previous quarter, supported mainly by the service sector during the tourism high season. This contributed to increased revenue from foreign tourists, particularly short-haul travelers such as those from China and Malaysia. As a result, the average number of foreign tourists rose to 3.27 million per month, up from an average of 2.95 million per month in the previous quarter. However, conflicts in the Middle East and attempts to block the Strait of Hormuz led to higher global crude oil prices, affecting travel demand from Middle Eastern tourists and beginning to reflect signs of slowing economic sentiment in certain sectors. Private investment continued to expand, driven by imports of capital goods, particularly machinery and equipment. Meanwhile, export values began to show signs of slowing in some key markets, partly due to accelerated exports in earlier periods. The real estate sector continued to weaken in line with subdued household purchasing power, tighter lending standards by financial institutions, and the impact of declining confidence in the overall economic outlook.

Amid rising economic uncertainty stemming from both domestic and external factors, all business units have remained committed to adjusting strategies and management approaches to align with evolving circumstances in each period. They have also closely monitored changing trends and proactively responded to challenges arising from these uncertainties. As a result, the group's overall business performance has continued to grow steadily.

Analysis of operating results

1. Overall operating results

The operating results of MBK Public Company Limited and its subsidiaries (“the Group”) for the three-month periods ended 31 March 2026 and 2025 are as follows:

(Unit: Million Baht)

For the three-month periods ended 31 March				
	2026	2025	Inc/(Dec)	
1) Operating revenue	3,165	3,145	20	1%
2) Operating profit	855	790	65	8%
3) Share of profit from investments in associates and joint venture	681	567	114	20%
4) Other income	45	37	8	22%
5) Finance costs	(173)	(207)	34	16%
6) Income tax expense	(177)	(191)	14	7%
7) Net profit	1,231	996	235	24%
8) <u>Less</u> : Profit attributable to non-controlling interest of the subsidiaries	(20)	(24)	4	17%
9) Net profit – attributable to equity holders of the Company	1,211	972	239	25%
10) Earnings per share (Baht)	0.73	0.63	0.10	16%

The Group’s overall operating results for the three-month period ended 31 March 2026 in comparison with the same period of last year showed that the Group continued growth in performance. The operating revenue for the three-month periods ended 31 March 2026 and 2025 were Baht 3,165 million and Baht 3,145 million, respectively, increased slightly by Baht 20 million or 1%. The net profit attributable to equity holders of the Company for the three-month periods ended 31 March 2026 and 2025 were Baht 1,211 million and Baht 972 million, respectively, the net profit increased by Baht 239 million or 25%.

During the first quarter of the current year, geopolitical tensions in the Middle East emerged on 28 February 2026 and have continued to the present, impacting the global economy, particularly through rising energy costs and higher costs of living. However, the Group's management assessed that the ongoing conflict is unlikely to have a material impact on the Group's operations in the near term. The situation is being closely monitored, and appropriate contingency plans have been continuously prepared to mitigate any potential impacts.

Amidst these uncertainties, the group has been able to maintain revenue levels and effectively control expenses, resulting in continued growth in total revenue and operating profit growth compared to the same period of the previous year. The finance business continued to focus on quality lending coupled with improved debt collection processes, leading to a continuous decrease in the non-performing loan (NPL), and recognised higher gains from sales of non-performing assets (NPAs), which further support overall performance. However, the food business experienced a revenue decline due to slower order volumes reflecting the economic downturn. Nevertheless, effective procurement planning and raw material cost management enabled the rice business to maintain a stable level of operating profit.

Furthermore, the associate companies that engaged in finance business and shopping center business have continued to generate strong returns for the group. The recognition of profit sharing increased by Baht 114 million or 20%, reflecting the strength of the investments and its ability to generate consistent returns.

2. Revenue and operating results by segment

The significant movements in operating revenue and operating profit (loss) by segment for the three-month period ended 31 March 2026 when compared to the same period of 2025 were as follows.

2.1 Operating revenue – by segment

(Unit: Million Baht)

For the three-month periods ended 31 March				
Segment	2026	2025	Increase/(Decrease)	
1) Shopping Center	981	950	31	3%
2) Hotel and tourism	557	533	24	5%
3) Golf	198	162	36	22%
4) Real-estate	77	90	(13)	(14%)
5) Food Solution	543	697	(154)	(22%)
6) Finance	657	560	97	17%
7) Auction	142	146	(4)	(3%)
8) Corporate Supporting Center and Others	10	7	3	43%
Total	3,165	3,145	20	1%

The operating revenue of the Group for the three-month periods ended 31 March 2026 and 2025 were Baht 3,165 million and Baht 3,145 million, respectively, which increased slightly by Baht 20 million or 1%. The major changes in operating revenue by segment were as follows:

- a) The revenue of the shopping center business increased by Baht 31 million or 3%. Overall, the shopping center business experienced a continuous increase in occupancy rate and average rental rate, with a consistent number of visitors, both Thai and foreign. However, the geopolitical conflict in the Middle East resulted in a decrease of approximately 3% in the number of visitors in March 2016 compared to the previous month. This situation has not yet impacted on the current leasing operations. The shopping business continues to drive marketing activities through various media channels to attract an increasing number of domestic and neighboring countries.
- b) The revenue of hotel and tourism business increased by Baht 24 million or 5%, primarily driven by higher revenue per available room (RevPAR) and average daily rate (ADR), resulting from recent room renovations and upgrades. However, the average occupancy rate declined slightly, mainly due to the conflict in the Middle East, which caused a slowdown in travel from that region. The hotel business has adjusted its strategies to align with the situation, focusing on promotional activities and developing facilities to meet the needs of both domestic and international customers, particularly long-stay guests and tourists from other regions unaffected by the situation. This will help maintain revenue levels and business stability in the long term.
- c) The revenue of golf business increased by Baht 36 million or 22%. The increase of Baht 26 million came from the Lam Luk Ka golf course, which is included in the consolidated financial statements after its status changed from an associate to a subsidiary as mentioned in No. 3.1. Furthermore, all golf courses in both Pathum Thani and Phuket still have a number of both Thai and foreign golfers coming to use the golf services regularly.
- d) The revenue of real-estate business decreased by Baht 13 million or 14%. Most revenue came from the recognition of residential projects which decreased by Baht 3 million. Most of the revenue in the current quarter came from Quinn Sukhumvit 101, which recorded an increase in ownership transfers and revenue recognition by Baht 41 million. However, revenue from residential projects in Pathum Thani decreased by Baht 45 million.

The real-estate business has been affected by several factors such as, rising construction-material prices and labor costs, economic slowdown, financial institutions' stricter lending criteria, and changes in consumer behavior that prioritizes value for money and quality, leading to delayed purchasing decisions. Therefore, the real-estate business has therefore slowed down the launch of new projects and focused on selling existing residential projects through promotions and marketing campaigns to reach the target customer group. Currently, various residential projects have already signed sales contracts but are waiting for the legal transfer of ownership (Backlog) amounting to Baht 972 million, which will be gradually recognized as revenue according to the plan in the future periods.

- e) The revenue of food solution business decreased by Baht 154 million or 22%, primarily due to the decrease of Baht 153 million in rice sales. This was mainly caused by the following factors: the economic slowdown and increase in living costs resulting from the conflict in the Middle East, leading consumers to be more cautious in their spending. In addition, the reduction of orders from customers purchasing rice for export due to volatility in rice raw material prices causing to defer purchases pending for price trend assessment (Price speculation). However, the trend in rice orders in the next quarter is expected to improve, in line with the market's rebalancing mechanism.

Despite the decline in revenue, management was able to effectively manage and plan raw material procurement resulting in the rice business maintaining its operating profit level and even increasing profits compared to the same quarter of the previous year.

- f) The revenue of finance business increased by Baht 97 million or 17%. The finance business continues to maintain prudent credit risk management policy through stringent loan screening, close monitoring of repayment status, and regular credit risk assessments to minimize the occurrence of non-performing loans (NPL).
- Motorcycle hire-purchase business increased in revenue by Baht 27 million or 8%, resulting from the expansion of lending to borrowers who have passed appropriate credit quality screening processes.
 - Secured lending business increased in revenue by Baht 70 million or 33%. The major contribution to this growth was the increase in recognition by Baht 44 million in gains from sale of non-performing assets (NPA), which were acquired from debt settlement through asset transfer.
- g) The revenue of auction business decreased by Baht 4 million or 3%, primarily due to a decline in the volume of vehicles entering the auction site, which was in line with the economic situation and competition in the car auction business. Furthermore, high levels of household debt have led financial institutions to tighten lending criteria for car hire-purchase loans. However, auction service fees have been increased since May 2025 to align with the economic conditions and rising costs, mitigating the impact of the slowdown in transaction volume and maintaining overall business revenue.

2.2 Operating profit (loss) – by segment

(Unit: Million Baht)

For the three-month periods ended 31 March				
Segment	2026	2025	Increase/(Decrease)	
1) Shopping Center	295	312	(17)	(5%)
2) Hotel and tourism	180	184	(4)	(2%)
3) Golf	64	49	15	31%
4) Real-estate	(28)	7	(35)	(500%)
5) Food Solution	18	12	6	50%
6) Finance	286	176	110	63%
7) Auction	40	58	(18)	(31%)
8) Corporate Supporting Center and Others	-	(8)	8	100%
Total	855	790	65	8%

The operating profit of the Group for the three-month periods ended 31 March 2026 and 2025 were Baht 855 million and Baht 790 million, respectively, increased by Baht 65 million or 8%. In overall, operating results varied according to the movements of operating revenue by segment as mentioned in No. 2.1 and normal economic conditions.

Cost Management and Efficiency Measures

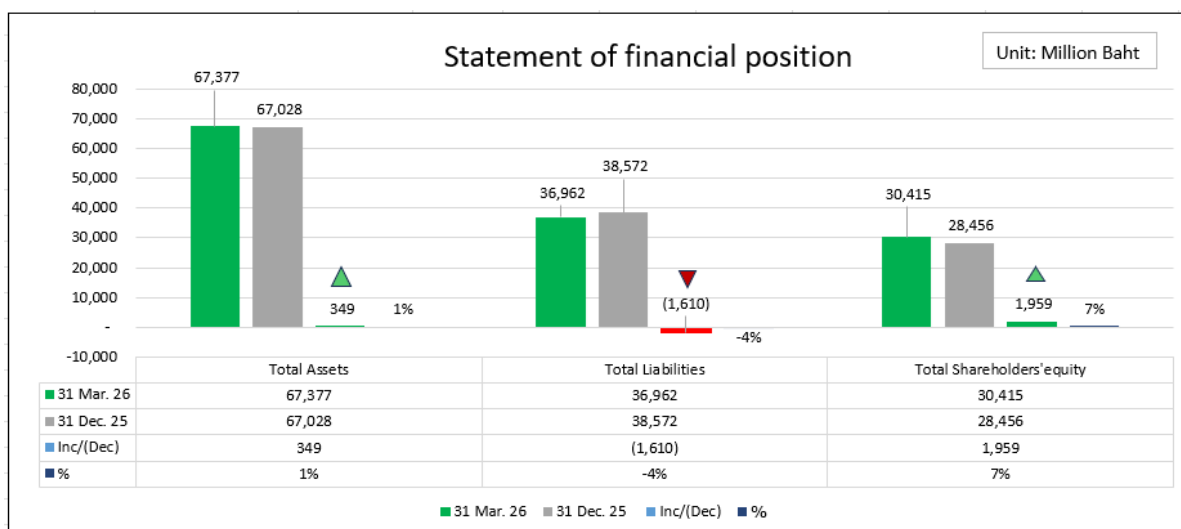
In the first quarter of 2026, geopolitical conflicts in the Middle East resulted in higher energy, raw material, and overall operating costs. Therefore, the Group established and implemented systematic cost management measures to maintain profitability and operational efficiency under these circumstances

The Group has implemented cost-saving measures in several areas, including reviewing and reducing unnecessary expenses across all business units, improving energy efficiency in shopping center business and establishments, planning raw material procurement in advance to mitigate the impact of price fluctuations, and applying technology to reduce long-term operating costs.

The management continues to closely monitor the situation and be prepared to adjust measures to align with the ever-changing environment in order to maintain the financial stability and competitiveness of the group in the long term.

Analysis of financial position

The significant movements in assets, liabilities and shareholders' equity as at 31 March 2026 when compared with the balance as at 31 December 2025 were as follows:



3.1 Reclassification of Investment in Associate to Subsidiary

MBK Golf Holding Company Limited, a direct subsidiary in which MBK Public Company Limited holds a 99.99% interest, has progressively acquired ordinary shares of Lamukka Golf and Country Club Company Limited ("LLKGC"), operates in a golf course business, from minority shareholders. As a result, as of 31 January 2026, the shareholding increased to 50.16%, at which point to obtain control over LLKGC (Acquisition of Control). Consequently, the investment in LLKGC was reclassified from an associate accounted for under the equity method to a subsidiary. The statement of financial position of LLKGC was consolidated into the statement of financial position as of the acquisition date, and its results of operations have been included in the statement of comprehensive income from 1 February 2026 onwards.

Following this reclassification, the assets, liabilities, revenues, and expenses of LLKGC are consolidated into the Group's financial statements on a line-by-line basis, replacing the previously recognized single-line share of profit or loss under the equity method. This resulted in the consolidated statement of comprehensive income for the three-month period ended 31 March 2026 reflecting an increase in revenue of Baht 26 million and expense of Baht 23 million. The consolidated financial position as at 31 January 2026 was changed as follows:

Consolidated Financial Position As at 31 January 2026 (Unit: Million Baht)	Inc/(Dec)	(Inc)/Dec	
	Total assets	Total liabilities	Total Shareholder's equity
<u>Assets acquired and liabilities assumed</u>			
1. Property, plant and equipment – net increased	992		
2. Other assets increased	41		
3. Total liabilities increased		(51)	
<u>Change in investment status from associate to subsidiary results in:</u>			
1. Investment in associate (Equity method) decreased	(308)		
2. Loans to associate decreased	(50)		
3. Non-controlling interests increased			(624)
Total	675	(51)	(624)

3.2 Total Assets

Total assets as of 31 March 2026 were Baht 67,377 million, representing an increase of Baht 349 million or 1% compared to the balance as of 31 December 2025. The major changes were as follows:

- a) Cash and cash equivalents decreased by Baht 681 million, representing a decline of 58%. The primary factor was liquidity management through the repayment of short-term borrowings from financial institutions, resulting in a reduction in the outstanding balances of short-term loans as well.
- b) Other current financial assets, primarily consisting of investments in marketable equity instruments measured at fair value through other comprehensive income (FVOCI), increased by Baht 225 million, or 6%. Most of this increase was due to an upward adjustment in the fair value of such investments of Baht 222 million.
- c) Loans to customers (including the current portion), net of expected credit loss allowance, decreased by Baht 273 million, or 2%. The key contributing factors were as follows:
 - Secured loan portfolio decreased by Baht 398 million, as the Company adopted a more prudent lending policy in response to current economic conditions, together with normal repayments from customers. In addition, certain loan applications remain under consideration, particularly in respect of collateral quality assessment.
 - Motorcycle hire purchase loan portfolio increased by Baht 125 million. This growth was primarily driven by a rise in new loan bookings, in line with the increasing market demand.

d) Investments in associates and joint ventures increased by Baht 418 million, or 2%. The key movements during the period were as follows:

- An increase of Baht 681 million was from the recognition profit sharing from associates and joint ventures for the period.
- An increase of Baht 45 million was from share capital increase in a new associate that operates in motorcycle hire-purchase business.
- A decrease of Baht 308 million was resulting from the change in status of an investment in a golf business from an associate to a subsidiary, as described in Note 3.1 above.

e) Investment properties decreased by Baht 239 million or 2%. The significant movements were as follows.

Description		Million Baht
1	The costs of shopping center renovations and purchases of operating equipment	12
2	Reclassified the cost of real-estate development projects for sale under inventories to be a residence for rental	22
3	Depreciation and amortisation	(280)
4	Others	7
Total net movements		(239)

f) Property, plant and equipment increased by Baht 905 million or 12%. The significant movements were as follows.

Description		Million Baht
1	Acquisition of land, building and equipment from the changes in status of investment in associate to subsidiary as mentioned in No.3.1	992
2	Costs of improving the golf courses and purchases of operating equipment	24
3	Renovation costs of hotel rooms and purchases of operating equipment	23
4	Costs for improving the auction site and leasing land to operate an auction and inventory storage	11
5	Depreciation and amortisation	(152)
6	Costs of improving the golf courses and purchases of operating equipment	7
Total net movements		905

3.3 Total Liabilities

Total liabilities as of 31 March 2026 were Baht 36,962 million, representing a decrease of Baht 1,610 million or 4% compared to the balance as at 31 December 2025. The major changes were as follows:

- a) Short-term loans from financial institutions decreased by Baht 617 million, primarily due to the repayments of loan during the period as part of the liquidity management.
- b) Trade and other payables decreased by Baht 239 million.
- c) Long-term debentures (including the current portion), presented net of unamortized interest expenses and deferred debenture issuance costs, decreased by Baht 990 million, primarily due to the redemption of Baht 1,000 million in debentures that matured in February 2026.

3.4 Total Shareholders' equity

Total shareholders' equity balance as at 31 March 2026 was Baht 30,415 million, representing an increase of Baht 1,959 million or 7% compared to the balance as at 31 December 2025. The major changes were as follows:

- a) The net profit from operating results for the period of Baht 1,211 million.
- b) Other components of shareholders' equity increased by Baht 174 million, primarily due to an increase in fair value adjustment of investments in marketable debt and equity securities measured through other comprehensive income (FVOCI), net of related deferred income tax, of Baht 177 million.
- c) Non-controlling interests increased by Baht 598 million. The increase was primarily driven by an addition of Baht 624 million resulting from the change in status of an investment from an associate to a subsidiary, as described in Note 3.1 above.

Analysis of Cash Flows

4. Cash flows of the Group for the three-month periods ended 31 March 2026 and 2025 are summarised in the table below.

(Unit: Million Baht)

For the three-month periods ended 31 March				
	2026	2025	Cash flows Increase/(Decrease)	
Net income from operating activities before changes in operating assets and liabilities	1,373	1,334	39	3%
Net movements in operating assets and liabilities	(256)	(569)	313	55%
Net cash flows received from (used in) operating activities	1,117	765	352	46%
Net cash flow received from (used in) investing activities	(25)	(678)	653	96%
Net cash flows received from (used in) financing activities	(1,773)	(193)	(1,580)	(819%)
Net increase (decrease) in cash and cash equivalents	(681)	(106)	(575)	(542%)

4.1 Cash flows from operating activities

Net cash flows from operating activities increased by Baht 352 million or 46%. The significant changes were as follows: -

- a) The major cash increases were from (i) cash received from operating activities increased by Baht 39 million, (ii) loans to customers (net of cash receipts) decreased by Baht 602 million, and (iii) cash paid to deposits received decreased by Baht 181 million.
- b) The major cash decreases were from (i) cash paid to trade and other payables increased by Baht 345 million, and (ii) cash paid to other current liabilities increased by Baht 117 million.

4.2 Cash flows from investing activities

Net cash flows from investing activities increased by Baht 653 million or 96%, primarily due to the following factors: -

- a) The major cash increases were from (i) cash received from sales of property foreclosed increased by Baht 173 million, and (ii) cash paid to purchase (net of sales) of investments in debt and equity marketable securities decreased by Baht 624 million.

- b) The major cash decreases were from: (i) cash disbursement for share capital increase in a new associate that operates motorcycle hire-purchase business increased by Baht 45 million, and (ii) cash paid to purchase common shares in subsidiaries from minority shareholders increased by Baht 71 million.

4.3 Cash flows from financing activities

Net cash flows from financing activities decreased by Baht 1,580 million or 819% due to the following major reasons: -

- a) The major cash increases were mainly due to cash paid for interest expenses decreased by Baht 101 million.

- b) The major cash decreases were from: (i) cash paid for repayments of short-term loans from financial institutions increased by Baht 651 million, and (ii) cash paid for redemption of debenture maturing in February 2026 in the amount of Baht 1,000 million.