

Management Discussion and Analysis for the Second Quarter of Fiscal Year 2026

Fraser's Property (Thailand) Public Company Limited and its Subsidiaries ("the Company") would like to report the financial results of the Company for the second quarter of FY2026 ended 31 March 2026 to the Stock Exchange of Thailand (SET).

Business Performance Overview:

The Thai economy continued to face pressure from both external and domestic factors, particularly intensifying geopolitical conflicts, global economic volatility, and U.S. tariff measures. At the same time, domestic conditions remain constrained by structural challenges, including limitations in manufacturing competitiveness, an aging population, and elevated household debt levels. In the recent quarter, the Thai economy has begun to show signs of slowdown across key sectors, including manufacturing, exports, and tourism, partly affected by rising energy costs stemming from ongoing tensions in the Middle East. Amid these challenges, the Company continues to operate with prudence, focusing on capital and financial management to preserve stability and liquidity, while deploying flexible strategies to navigate economic volatility and capture opportunities from a potential market recovery. At the same time, the Company remains committed to strengthening its investment readiness in high-potential businesses to create long-term value, while continuously enhancing operational efficiency and organizational effectiveness. This is underpinned by a strong commitment to good corporate governance and responsible business practices toward communities, society, and the environment, to support stable and sustainable growth while safeguarding the long-term interests of all stakeholders.

For the second quarter of FY2026 ended 31 March 2026, the Company reported **total operating revenue** of THB 2,653.6 million, a decrease of 8.0% or THB 231.0 million compared to the previous year. The **total revenue** was THB 2,830.1 million, a decrease of 7.0% or THB 213.6 million. The Company recorded a **net profit** of THB 1,268.4 million, an increase of 475.1% or THB 1,047.8 million, with a **profit attributable to the owners of the Company** of THB 1,269.6 million, an increase of 471.4% or THB 1,047.4 million. The details are as follows:

- **Revenue from sales of real estate** decreased by THB 219.5 million or 12.5% to THB 1,534.4 million, compared to THB 1,753.9 million in the previous year. The decline was primarily attributable to continued market pressures from the economic slowdown, persistently high household debt levels, tighter lending conditions imposed by financial institutions, and intensified competition in the market. As a result, the gross profit margin of the residential business decreased to 19.0%, compared with 21.4% in the prior year. During the quarter, the Company launched two new projects as planned, namely The Grand Riverfront Ratchaphruek-Rama 5 and Grandio Rama-Taksin, to capture demand in a high-potential location. Looking ahead, the Company plans to launch two

additional projects in the latter half of the year, Gute' Sathorn and Goldina Ngamwongwan-Prachachuen, single detached houses and townhomes under new brands, building on prior success and expanding into new strategic locations. Despite these challenges, the Company remains focused on delivering high-quality products and excellent services, while maintaining effective cost management and continuously strengthening its brand to achieve top-of-mind positioning in the residential market.

- **Rental and related service revenue** decreased by THB 54.8 million or 6.5% to THB 791.5 million from THB 846.3 million in the previous year. The decline was primarily attributed to lower revenue from construction services, as the projects were completed in the prior year, together with a decrease in rental income following the divestment of certain assets to FTREIT. Nevertheless, demand for factories and warehouses remained strong, supported by the continued relocation of manufacturing bases to the Southeast Asia region, particularly Thailand, Indonesia, and Vietnam. As a result, the Company maintained a high average occupancy rate of 92% for the factories and warehouses under management.

Revenue from the commercial office and retail business decreased compared with the previous year, mainly due to lower occupancy rates at Silom Edge and FYI Center. However, through continuous improvements in building quality and service standards, the Company was able to maintain a high occupancy rate of 87% for office and retail properties under the management, despite prevailing market oversupply.

- **Revenue from hospitality business** decreased by THB 4.3 million or 4.4% to THB 93.4 million from THB 97.7 million in the previous year. This was primarily due to a decline in the number of tourists traveling to Thailand, partly impacted by geopolitical tensions in the Middle East.

- **Revenue from management services** increased by THB 47.6 million, or 25.5%, to THB 234.4 million, primarily driven by additional income from management services provided for One Bangkok following operational integration.

- In 2QFY2026, the Company recorded a gain on sales of investment properties of THB 30.4 million, a decrease of THB 77.0 million from THB 107.4 million in the previous year, mainly due to the divestment of non-core investment properties. In addition, the Company recognized a gain on sale of investment in an associate of THB 65.9 million from the sale of its 20% equity stake in North Sathorn Hotel Co., Ltd., the owner and operator of W Hotel Bangkok, in line with its strategy to optimize portfolio efficiency.

- Share of profits of associates and joint ventures, net of unrealized gains on sales of properties to associates and joint ventures, increased by THB 1,090.6 million to THB 1,244.5 million from THB 153.9 million in the previous year. The increase was mainly driven to the recognition of share of profit from land sales of over 400 rais in the ARAYA - The Eastern Gateway project.

- The Company's total operating decreased by 5.0% or THB 96.0 million to THB 1,823.0 million, primarily due to lower cost of real estate sales in line with the decline in sales volume. However, continued market pressures, together with intensified competition in the residential sector, resulted in a decline in the overall gross profit margin from 33.5% in the previous year to 31.3%. Distribution costs and administrative expenses decreased by 8.1% or THB 58.5 million to THB 661.3 million, mainly attributable to more effective expense management. As a result, the Company recorded total costs and expenses of THB 2,484.3 million, a decrease of 5.9% or THB 154.5 million from the previous year.

- The Company's finance costs decreased by 10.5% or THB 16.1 million, primarily due to a lower average interest cost, in line with prevailing market conditions.

Based on the aforementioned revenues and expenses, the Company reported a **net profit** of THB 1,268.4 million, an increase of THB 1,047.8 million or 475.1%, with a **profit attributable to the owners of the Company** of THB 1,269.4 million, an increase of THB 1,047.4 million or 471.4%. Earnings per share for 2QFY2026 were THB 0.55 per share, an increase from THB 0.10 per share in the previous year.

Financial Performance for 2QFY2026

Unit: THB Million	2QFY2025	2QFY2026	% to Total Revenue	%Y-o-Y
Revenue from sales of real estate	1,753.9	1,534.4	54.2%	(12.5%)
Rental and related service revenue	846.3	791.5	28.0%	(6.5%)
Revenue from hotel business	97.7	93.4	3.3%	(4.4%)
Management fee income	186.7	234.3	8.3%	25.5%
Total operating revenue	2,884.6	2,653.6	93.8%	(8.0%)
Gain on sales of investment in associate	-	65.9	2.3%	N/A
Gain on sales of investment properties	107.4	30.4	1.1%	(71.7%)
Others	51.7	80.2	2.8%	55.1%
Total revenues	3,043.7	2,830.1	100.0%	(7.0%)
Total operating costs	1,919.0	1,823.0	64.4%	(5.0%)
Distribution costs and administrative expenses	719.8	661.3	23.4%	(8.1%)
Total expenses	2,638.8	2,484.3	87.8%	(5.9%)
Finance costs	313.9	297.8	10.5%	(5.1%)
Share of profits (losses) of associates and joint ventures net of unrealised gains on sales of properties to associates and joint ventures	153.9	1,244.5	44.0%	708.6%
Tax expenses	24.2	24.3	0.9%	0.4%
Profit for the period	220.6	1,268.4	44.8%	475.1%
Profit attributable to owner of the Company	222.2	1,269.6	44.9%	471.4%
Basic earnings per share (THB)	0.10	0.55		450.0%

Financial Position as at 31 March 2026

Unit: THB Million	30 Sep 2025	31 Mar 2026	% YTD
Cash, cash equivalents and fixed deposits	1,073.1	883.5	(17.7%)
Real estate development for sales	33,447.1	36,449.9	9.0%
Investments in associates, joint ventures, and other investments	13,322.6	14,192.4	6.5%
Investment properties	37,505.1	38,989.3	4.0%
Property, plant and equipment	2,415.5	2,407.2	(0.3%)
Total assets	93,878.5	98,982.5	5.4%
Interest-bearing liabilities	46,388.4	47,681.4	2.8%
Total liabilities	57,657.7	61,839.5	7.3%
Total equity	36,220.8	37,143.0	2.5%

As of 31 March 2026, the Company's total assets amounted to THB 98,982.5 million, an increase of 5.4% or THB 5,104.1 million, compared with 30 September 2025. This was primarily attributable to an increase in real estate development for sales, following the acquisition of new industrial land plot in Chonburi.

As of 31 March 2026, the Company's total liabilities amounted to THB 61,839.5 million, an increase of THB 4,181.8 million or 7.3% from 30 September 2025. Interest-bearing debt was THB 47,681.4 million, an increase of THB 1,293.0 million, mainly from a rise in loan from financial institutions. Total equity was THB 37,143.0 million, which increased by THB 922.2 million or 2.5% compared to the previous year. As a result, the Company's interest-bearing debt to equity ratio remained at 1.28 times from the end of FY2025.

Business Outlook

Thailand's economy in 2026 is expected to expand at a slower pace than previously anticipated. The International Monetary Fund (IMF) has revised down its GDP growth forecast to 1.5% from the earlier estimate of 1.6%, reflecting the impact of geopolitical tensions in the Middle East, which are weighing on the tourism sector, exports, and domestic consumption. On monetary policy, Kasikorn Research Center expects the Monetary Policy Committee (MPC) to maintain the policy interest rate at 1.00%, in line with current economic and inflation trends. However, there remains scope for additional rate cuts should the Thai economy underperform relative to expectations.

In the residential sector, conditions remain challenging amid persistently high household debt levels and stricter lending criteria from financial institutions. At the same time, the sector is expected to be affected by rising energy costs stemming from the Middle East conflict. Although the policy rate reduction and various government property stimulus measures—such as the extension of relaxed housing loan-to-value regulations and reductions in transfer and mortgage registration fees—continue to provide some support, the overall market remains under pressure. Additional government measures to stimulate the economy and the property sector will be closely monitored, as they are expected to help cushion the slowdown in the residential market. Developers are therefore required to adopt prudent strategies, with a strong focus on efficient cost and capital management to navigate heightened uncertainty amid a potentially prolonged geopolitical conflict.

The industrial real estate and industrial estate sectors are likely to be impacted by geopolitical tensions, which may weigh on exports, production activities, and investment decisions. Nevertheless, Thailand continues to possess strong fundamentals in attracting manufacturing relocation, supported by its strategic location at the centre of ASEAN, well-developed infrastructure, the expansion of special economic zones, and government investment promotion policies. These factors continue to underpin the long-term growth prospects of the industrial sector. Developers, however, need to remain agile in response to market changes and evolving customer behaviours by enhancing service quality, adopting advanced technologies, and developing projects that emphasize environmental, social, and governance (ESG) principles to strengthen sustainable competitiveness.

In the commercial sector, competition remains intense due to an influx of newly completed office buildings, which is limiting rental growth potential. Nevertheless, Grade A and A+ office buildings in the Central Business District (CBD) continue to attract strong demand, particularly those with ESG certifications and consistently enhanced service quality and safety standards. These factors are expected to enhance competitiveness and help mitigate the risk of oversupply in the market.

Yours faithfully,

Frasers Property (Thailand) Public Company Limited

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Mr. Kriangkrai Pokanukrom

Chief Financial Officer