

TWZ010/2026

May 14, 2026

Subject : Management Discussion and Analysis for Quarter 1 Ending March 31, 2026.

To : The President
The Stock Exchange of Thailand

With the TWZ Corporation Public Company Limited (the “Company”) has submitted consolidated financial statement of the Company and its subsidiary for Quarter 1 Ending March 31, 2026. which was reviewed by authorized auditor. The Company and its subsidiaries wishes to clarify the operation result of the Company and its subsidiary as follows:

Operating Results

For the three-month period ended March 31, 2026, the Company and its subsidiaries reported total revenues of THB 552.81 million, representing a decrease from THB 1,136.68 million recorded in the corresponding period of the previous year, amounting to THB 583.87 million or a decrease of 51.37 percent. The details are summarized as follows:

- Revenues from sales and services amounted to THB 545.43 million, decreasing from THB 1,128.47 million recorded in the corresponding period of the previous year by THB 583.04 million or 51.67 percent. The decrease was principally attributable to the Company’s revision of its customer credit policy for product sales implemented since 2026, which resulted in a reduction in sales revenue. Consequently, the cost of sales and cost of rendering services decreased correspondingly in line with the decline in sales revenue, amounting to a decrease of THB 544.39 million or 51.35 percent.
- Sales supporting income amounted to THB 4.57 million, decreasing from THB 5.13 million recorded in the corresponding period of the previous year by THB 0.55 million or 10.81 percent. The Company and its subsidiaries received sales supporting incentives from suppliers in accordance with promotional campaigns arranged by distributors.
- Distribution costs amounted to THB 9.43 million, decreasing from THB 11.44 million recorded in the corresponding period of the previous year. Distribution costs as a proportion of total revenues accounted for 1.71 percent and 1.01 percent for the first quarter of 2026 and 2025, respectively. Although sales revenue declined, distribution costs comprise both fixed and variable expenses, resulting in an increase in the ratio of distribution costs to total revenues.
- Administrative expenses amounted to THB 31.87 million, decreasing from THB 32.98 million recorded in the corresponding period of the previous year by THB 1.11 million or 3.37 percent. Administrative expenses as a proportion of total revenues accounted for 5.76 percent and 2.90

percent for the first quarter of 2026 and 2025, respectively. During the first quarter of 2026, the Company recognized an expected credit loss allowance amounting to THB 5.25 million in respect of finance lease receivables relating to a real estate project of a subsidiary. In addition, despite the decline in sales revenue, the Company remains in the process of reviewing and implementing appropriate measures to optimize and manage administrative expenses efficiently.

- The Company and its subsidiaries reported a net loss of THB 34.68 million. Such net loss included a loss attributable to non-controlling interests amounting to THB 1.12 million. Accordingly, the net loss attributable to the Company amounted to THB 33.56 million, increasing from the net loss of THB 0.97 million recorded in the corresponding period of the previous year by THB 32.59 million, as a result of the operating performance of the Company and its subsidiaries as described above.

Financial Status

As of March 31, 2026, the Company and its subsidiaries reported total assets amounting to THB 3,810.18 million, compared to THB 3,917.91 million as of December 31, 2025, representing a decrease of THB 107.73 million. As of March 31, 2026, the Company's assets consisted of current assets accounting for 75.56 percent of total assets and non-current assets accounting for 24.44 percent. The significant movements in assets can be summarized as follows:

- Trade and other current receivables of the Company and its subsidiaries amounted to THB 1,040.26 million, decreasing from THB 1,522.94 million as of December 31, 2025, by THB 482.68 million or 31.69 percent. The decrease was primarily attributable to collections received from trade receivables. In addition, the Company revised its customer credit policy in 2026, which consequently resulted in a reduction in trade receivables.
- Restricted bank deposits amounted to THB 33.77 million, decreasing from THB 133.13 million as of December 31, 2025, by THB 99.36 million or 74.63 percent. The decrease was mainly due to the Company's closure of a credit facility with a financial institution which had previously been maintained for working capital purposes.
- Other non-current financial assets of the Company and its subsidiaries amounted to THB 14.39 million, decreasing from THB 83.83 million as of December 31, 2025, by THB 69.43 million or 82.83 percent. The decrease mainly resulted from the reclassification of project deposits amounting to THB 70.00 million to other non-current assets.
- Other non-current assets of the Company and its subsidiaries amounted to THB 644.67 million, increasing from THB 5.06 million as of December 31, 2025, by THB 639.61 million. The increase was mainly attributable to land deposits paid for future real estate development projects.

Liquidity

As of March 31, 2026, the Company and its subsidiaries had cash and cash equivalents amounting to THB 50.12 million, representing a decrease of THB 199.91 million or 79.96 percent compared to the corresponding period of the previous year. The sources and uses of cash can be summarized as follows:

- Net cash provided by operating activities amounted to THB 722.33 million, primarily resulting from the decrease in other assets, trade receivables, and other current receivables.
- Net cash used in investing activities amounted to THB 640.13 million, mainly attributable to cash payments for investments in non-current financial assets.
- Net cash used in financing activities amounted to THB 84.59 million, primarily resulting from cash repayments of borrowings.

As of March 31, 2026, the liquidity ratio of the Company and its subsidiaries was 2.51 times. Both current assets and current liabilities decreased compared to those as of December 31, 2025, at which date the liquidity ratio was 2.95 times.

Sources of Funds

As of March 31, 2026, the Company and its subsidiaries reported total liabilities amounting to THB 2,131.23 million, while total shareholders' equity of the Company and its subsidiaries amounted to THB 1,678.95 million. As a result, the debt-to-equity ratio was 1.27 times, which was lower than the ratio of 1.29 times as of December 31, 2025.

Please be informed accordingly.

Yours sincerely,

(Mr. Puttachat Rungkasiri)

Managing Director