

**Siam Global House Public Company Limited**  
**Management Discussion and Analysis (MD&A)**  
**Operating Results as at March 31, 2026**

**Overall Performance**

In the first quarter of 2026, the overall economy continued to face pressure from the conflict in the Middle East, resulting in sustained high oil prices. This led to increased energy and transportation costs. In an increasingly volatile business environment driven by these geopolitical tensions, the Company has conducted operations with prudence, alongside enhancing the efficiency of internal management and operational processes.

For the operating results of the first quarter of 2026, compared with the same period of the previous year, the Company had a net profit of Baht 757.73 million (separate financial statements), representing an increase of Baht 162.43 million or 27.28%. Including the share of profit from joint ventures with Global House International Co., Ltd. and investments in subsidiaries, the Company recorded a net profit under the consolidated financial statements of Baht 798.07 million, an increase of Baht 180.58 million or 29.24% compared with the same period in 2025. The key contributing factors were the growth in sales of House brand products, which continued to receive stronger consumer response, effective cost management and prudent control of operating expenses at an appropriate level.

As of the end of the first quarter of 2026, the Company operated a total of 97 branches in Thailand, representing an increase of 6 branches from the same period in 2025. In addition, the Company's subsidiary in Cambodia operated 2 branches.

**Key Development for the First Quarter of 2026**

- On 25 February 2026, the Company continued to expand its operations by opening one additional branch in Phon Phisai to accommodate growing customer demand in the area and enhance service capabilities. As a result, the Company currently operates a total of 2 stores in Nong Khai Province: Nong Khai branch and Phon Phisai branch.
- On 18 March 2026, the Company was officially certified for the Carbon Footprint for Organization by the Thailand Greenhouse Gas Management Organization (Public Organization) or TGO (Detailed information on the carbon footprint certification can be found on the Company's Investor Relations webpage).

**Summary of the Group's Consolidated Operating Results**

Unit: Million Baht

Consolidated financial statements	First Quarter				% of Net Sales	
	2026	2025	Increase/ (Decrease)	Change	2026	2025
Sales revenue	8,589.72	8,373.62	216.10	2.58%	100.00	100.00
Other income (exclude Unrealized gain(loss) on exchange rate)	185.48	198.96	(13.48)	(6.78%)	2.16	2.38
Total revenues	8,775.20	8,572.58	202.62	2.36%	102.16	102.38
Cost of sales	(6,302.75)	(6,268.31)	34.44	0.55%	73.38	74.86
Gross profit	2,286.97	2,105.31	181.66	8.63%	26.62	25.14

Consolidated financial statements	First Quarter				% of Net Sales	
	2026	2025	Increase/ (Decrease)	Change	2026	2025
Distribution costs & Administrative expenses (exclude Depreciation & Amortization)	(1,164.89)	(1,177.09)	(12.20)	(1.04%)	13.56	14.06
Depreciation & Amortization	(354.45)	(344.97)	9.48	2.75%	4.13	4.12
Unrealized gain(loss) on exchange rate	17.64	15.57	2.07	13.27%	0.21	0.19
Net profit before share of profit of joint venture	970.75	797.78	172.97	21.68%	11.30	9.53
Share of profit of joint venture	49.95	32.81	17.14	52.25%	0.58	0.39
Profit (loss) before finance costs and income tax	1,020.70	830.59	190.11	22.89%	11.88	9.92
Finance cost	(37.88)	(64.17)	(26.29)	(40.97%)	0.44	0.77
Income tax expense	(184.76)	(148.94)	35.82	24.05%	2.15	1.78
Net profit	798.06	617.48	180.58	29.24%	9.29	7.37
EBITDA	1,357.52	1,159.99	197.53	17.03%	15.80%	13.85%

The Group's net profit for the first quarter of 2026 amounted to Baht 798.07 million, an increase of Baht 180.58 million or 29.24%, compared to the same period in 2025, and equaled to 9.29% of sales.

Key factors contributing to these results include:

- 1) Total revenues for the first quarter of 2026 equaled to Baht 8,775.20 million, an increase of Baht 202.63 million or 2.36%, compared to the same period in 2025, which include:
  - Sales revenue was Baht 8,589.72 million, an increase of Baht 216.10 million or 2.58%, primarily due to increased sales of House brand products
  - Other income (exclude Unrealized gain(loss) on exchange rate) totaled Baht 185.48 million, a decrease of Baht 13.48 million or 6.78%, due to a decrease in promotional income received from suppliers, in line with the timing of marketing activities, which is a seasonal factor and is expected to return to normal level in line with the plan activities in the subsequent period.
- 2) Gross profit for the first quarter of 2026 equaled to Baht 2,286.97 million, an increase of Baht 181.66 million or 8.63%, compared to the same period in 2025, in line with the increased sales, representing 26.62% of sales revenue.
- 3) Distribution costs & Administrative expenses (exclude Depreciation & Amortization) for the first quarter of 2026 amounted to Baht 1,164.89 million, a decrease of Baht 12.20 million or 1.04%, compared to the same period in 2025, representing 13.56% of sales. The decrease was mainly due to the adjustment of marketing expense policies in line with cost control measures, as well as improved efficiency in warehouse management and logistics operations, resulting in lower transportation expenses from distribution centers to branches.

- 4) Finance costs for the first quarter of 2026 was Baht 37.88 million, a decrease of Baht 26.29 million or 40.97%, compared with the same period in 2025. It was primarily due to lower interest rate imposed by financial institutions and the repayment of short-term loans, resulting in a decrease in interest expenses compared with the previous year. This was in line with the Company's capital structure and liquidity management and contributed to an improvement in net profit for the current period.
- 5) Income tax expenses for the first quarter of 2026 amounted to Baht 184.76 million, an increase of Baht 35.82 million or 24.05%, compared with the same period in 2025, This was mainly due to the increase in earnings before tax, driven by improved operating performance in the current period.
- 6) EBITDA for the first quarter of 2026 amounted to Baht 1,357.52 million, an increase of Baht 197.53 million or 17.03%, compared with the same period in 2025, This was mainly due to higher total revenue, together with efficient cost and operating expense management, leading to an increase in EBITDA. This also reflects an improvement in profitability from core operation compared with the previous year.

## **Financial Position Summary**

### **Assets**

As at March 31, 2026, the Group had total assets of Baht 39,056.32 million. Key assets consisted of cash and cash equivalents of Baht 1,586.17 million; trade and other receivables of Baht 745.72 million, inventory of Baht 12,388.14 million, Other financial asset of Baht 297.89 million, investment in joint venture of Baht 2,009.06 million, and property, plant and equipment of Baht 20,311.28 million.

Total assets decreased by Baht 1,133.91 million or 2.82% from December 31, 2025, was a result of a decreases in cash and cash equivalents of Baht 443.13 million, inventory of Baht 679.55 million, resulting from inventory management aligned with customer demand in each area, as well as appropriate liquidity management.

### **Liabilities**

As of March 31, 2026, total liabilities of the Company were Baht 12,722.24 million. Key liabilities include short-term loans from financial institutions of Baht 6,278.28 million, trade and other payables of Baht 3,817.62 million, and long-term loans of Baht 605.00 million.

Total liabilities decreased by Baht 1,675.42 million or 11.64% from December 31, 2025. This was mainly due to a decrease in short-term loans from financial institutions of Baht 3,233.86 million, following loan repayments in accordance with the Group's liquidity management plan while trade and other payables increased by Baht 1,343.52 million, in line with trade credit term management with suppliers and the utilization of working capital sources. As a result, Debt to Equity Ratio was at 0.48 times, a decrease of 0.08 times from December 31, 2025, reflecting a stronger capital structure due to lower liabilities.

### **Shareholders' equity**

As of March 31, 2026, the Group had total shareholders' equity of Baht 26,334.08 million, an increase of Baht 541.51 million, or 2.10%, from December 31, 2025. This was mainly because unappropriated retained earnings increased by Baht 802.57 million, based on the performance in the current period

## Cash Flows

For the first quarter of 2026, the Group cash flows decreased by Baht 443.13 million from last year, which were classified as follows:

### Net cash flows from operating activities

- Net cash flows generated from operating activities were Baht 3,345.95 million. The key contributing factors include profit after adjustments for non-cash items amount Baht 1,310.33 million, a decrease in inventory of Baht 1,168.66 million, which result in higher working capital cash inflows and an increase in trade and other current payables of 1,125.73 million, which further enhanced the Company's liquidity position. Overall, these factors reflected improved working capital management efficiency and the Company's strong ability to generate cash flows from operating activities during the current period.

### Net cash flows from investing activities

- Net cash flows used in investing activities amounted to Baht 107.79 million. The primary purchases were for property, plant, and equipment as part of the store expansion plan, totaling Baht 213.68 million. Meanwhile, there was cash inflow from the sale of other current financial assets of Baht 100.00 million and received interest amounted to Baht 4.01 million

### Net cash flows from financing activities

- Net cash flows used in financing activities totaled Baht 3,689.28 million. This was mainly due to repayment of short-term loans from financial institutions of Baht 3,649.16 million and interest payments of Baht 38.70 million.

Consequently, as at March 31, 2026, the Group's cash and cash equivalents were Baht 1,586.17 million. The Group reported current assets of Baht 14,814.03 million and current liabilities of Baht 10,903.64 million. This represented a current ratio of 1.36 times, which was considered sufficient to meet the Company's debt obligations and reflected the Company's prudent liquidity management. In addition, the Company maintained both short-term and long-term funding sources to support the continuous operation of its business.

## Sustainability Progress

The Group is committed to conducting its business with consideration for the environment, society, and governance (ESG), while integrating the United Nations' Sustainable Development Goals (SDGs) to drive organizational development and enhance sustainable business growth.

For the first quarter of 2026 the Company was selected as a member of S&P Global Sustainability Yearbook 2026 in the Retailing Industry group for the third consecutive year. The Company is one of 17 retail companies globally, from the Corporate Sustainability Assessment.

Please be acknowledged accordingly

Yours sincerely

(Mr. Witoon Suriyawanakul)

Chief Executive Officer