



7 May 2026

Subject: Explanation of the Operating Results for Quarter 1/2026

To: The President
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to submit herewith the Reviewed Financial Statements for the Quarter 1/2026 ended 31st March 2026 as certified by our auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and to clarify the significant variance of the operating results as follows:

(Unit: Million Baht)

	For the 1 st Quarter ended 31 st March			
	2026	2025	Increase / (decrease)	% Change
Revenues				
Factoring Income	72.99	73.79	(0.80)	(1%)
Hire Purchase Income	0.07	0.03	0.04	126%
Finance Lease Income	1.57	2.79	(1.22)	(44%)
Factoring Commission and Service Fees	26.27	28.31	(2.04)	(7%)
Other Income	10.93	11.2	(0.27)	(2%)
Total Revenues	111.82	116.12	(4.30)	(4%)
Finance Costs	10.56	15.01	(4.45)	(30%)
Income Before Operating Expenses	101.26	101.11	0.15	0%
Expenses				
Selling Expenses	4.96	4.21	0.75	18%
Administration Expenses	29.51	27.58	1.93	7%
Management Benefit Expenses	7.79	6.94	0.85	12%
Total Expenses	42.26	38.73	3.53	9%
Profit Before Impairment Loss Determined in accordance with TFRS 9 and Share of Loss of Joint Venture Accounted for Using the Equity Method	58.99	62.38	(3.39)	(5%)
Impairment Loss Determined in accordance with TFRS 9	37.67	81.27	(43.60)	(54%)
Share of Loss of Joint Venture Accounted for Using the Equity Method	1.07	0.28	0.79	282%
Profit (Loss) Before Income Tax Expenses	20.26	(19.17)	39.43	(206%)
Income Tax Expense	(4.45)	(3.77)	(0.68)	18%
Profit (Loss) for the Periods	15.81	(15.40)	31.21	(203%)

Quarterly to Quarterly Analysis

Q1'26 delivered a significant turnaround in profitability compared to Q1'25. Income before operating expenses remained broadly stable year-on-year at THB 101 million. Total operating expenses increased by 9% from the prior year to THB 42.26 million, primarily attributable to higher staff-related costs in line with improved business performance.

A key contributor to the improved results was the substantial reduction in impairment losses determined in accordance with TFRS 9, which declined by 54% year-on-year to THB 37.67 million.

Consequently, profit before tax improved significantly from a loss of THB 19.17 million in Q1'25 to a profit of THB 20.26 million in Q1'26, representing a 206% year-on-year improvement. Likewise, profit after tax increased from a loss of THB 15.40 million in Q1'25 to a profit of THB 15.81 million in Q1'26, reflecting a 203% year-on-year improvement.

Overall, Q1'26 demonstrated a strong recovery in bottom-line performance, driven primarily by lower credit costs and disciplined expense management.

(Unit: Million Baht)

Assets, Liabilities and Shareholders' Equity	As of 31 March 2026	As of 31 December 2025	Change	
			Amount	%
Assets	4,029.22	4,195.96	(166.74)	-4%
Cash and cash equivalents	456.40	421.64	34.76	8%
Factoring receivables, net	3,187.88	3,407.01	(219.12)	-6%
Hire purchase and finance lease receivables, net	90.76	91.01	(0.25)	0%
Inventory finance receivable, net	115.40	105.25	10.16	10%
Other current assets	12.64	10.51	2.13	20%
Bank deposits held as collateral	0.17	0.17	0.00	1%
Investment in a joint venture accounted for using the equity method	46.28	47.36	(1.07)	-2%
Investment properties	38.27	39.42	(1.15)	-3%
Plant and equipment, net	6.59	7.48	(0.89)	-12%
Right-of-use assets	5.77	3.55	2.22	63%
Intangible assets, net	0.16	0.06	0.10	163%
Deferred tax assets	68.48	62.11	6.37	10%
Other non-current assets	0.41	0.41	(0.00)	0%
Liabilities	2,164.55	2,347.10	(182.55)	-8%
Short-term loans from financial institutions	1,935.00	2,090.00	(155.00)	-7%
Current portion of long-term loans	64.00	64.00	-	0%
Other current liabilities	68.96	82.49	(13.53)	-16%
Long-term loans	48.00	64.00	(16.00)	-25%
Employee benefits obligation	43.63	43.19	0.44	1%
Other non-current liabilities	4.96	3.42	1.54	45%
Shareholders' Equity	1,864.67	1,848.86	15.81	1%
Issued and paid-up share capital	493.50	493.50	-	0%
Premium on ordinary shares	31.75	31.75	-	0%
Retained earnings – Legal reserve	49.35	49.35	-	0%
Retained earnings – Unappropriated	1,290.07	1,274.27	15.81	1%
Total Liabilities and Shareholders' Equity	4,029.22	4,195.96	(166.74)	-4%

Asset Position

Total assets decreased by THB 166.74 million, or 4%, to THB 4,029.22 million as of 31 March 2026. The decline was primarily attributable to a reduction in factoring receivables, net, which fell by THB 219.12 million, or 6%, to THB 3,187.88 million.

Despite the decline in factoring receivables, cash and cash equivalents increased by THB 34.76 million, or 8%, to THB 456.40 million, strengthening liquidity. Inventory finance receivables also grew by 10% to THB 115.40 million.

Liability Position

Total liabilities decreased by THB 182.55 million, or 8%, to THB 2,164.55 million. The reduction was mainly driven by lower borrowings from financial institutions, broadly aligned with the reduction in receivables.

Shareholders' Equity

Shareholders' equity increased by THB 15.81 million, or 1%, to THB 1,864.67 million, driven entirely by growth in retained earnings from the profitable Q1'26 operating performance.

Please be informed accordingly.

Sincerely yours,

-Voon Ee Huei-

(Mr. Voon Ee Huei)
Director and CEO