

**Subject:** Management Discussion and Analysis for the Quarter Ended 31 March 2026

**To:** Managing Director  
Stock Exchange of Thailand

Srisawad Corporation Public Company Limited (“Company”) would like to present its Management Discussion and Analysis (MD&A) for the quarter ended 31 March 2026 with details as follows:

#### 1. Key Highlights and Operating Performance Overview

Thailand’s economy in Q1/2026 showed signs of gradual recovery from the prior quarter, supported by exports of technology-related products, industrial production, and government spending that began to flow into the system. Nevertheless, the economy remained vulnerable to geopolitical risks in the Middle East, which weighed on energy costs and consumer purchasing power. The Monetary Policy Committee (MPC) maintained the policy rate at 1.00% per annum to support the ongoing economic recovery amid cost-of-living pressures and persistently elevated household debt levels.

Against this backdrop, the retail lending industry continued to face pressure on borrower quality and stricter lending standards under the Bank of Thailand’s Responsible Lending guidelines, prompting industry participants to place greater emphasis on asset quality management and cautious growth.

Under these conditions, the Company continued to operate within a prudent risk management framework, alongside efficient management of financial costs and operating expenses. As a result, operating performance in Q1/2026 improved both year-on-year and quarter-on-quarter, with net profit of THB 1,457 million, up 28.03% YoY and up 3.26% QoQ. The Net Profit Margin rose to 29.73%, compared to 23.83% in the same quarter of the prior year and 29.20% in the prior quarter, reflecting the quality of operating performance and the Company’s underlying profitability.

Key factors supporting operating performance in this quarter include:

- **Recovery in Interest Income:** Interest income in Q1/2026 was THB 4,205 million, up 3.72% YoY and up 1.55% QoQ. This marked the return to year-on-year expansion, reflecting the recovery of the title loan portfolio - the Company’s core business - under a quality-focused growth framework.
- **Enhanced Foreclosed Asset Management:** Loss on sale of foreclosed assets in Q1/2026 declined significantly to THB 109 million, down 62.02% YoY and down 3.54% QoQ. This reflects the effectiveness of the risk management system and asset management processes that have been carried forward from the previous year, resulting in greater stability in borrower screening and foreclosed asset disposal.
- **Disciplined Financial Cost Management:** Finance costs in Q1/2026 were THB 657 million, down 9.75% YoY and down 6.81% QoQ, driven by appropriate debt structure management combined with the continued decline in the policy rate. The Company was able to issue debentures and refinance borrowings at lower costs consistent with market direction.
- **Operating Expense Management:** services and administrative expenses were THB 1,739 million, down 7.89% YoY, reflecting continued improvement in operational efficiency and cost management, including the effects of the branch restructuring carried out from the prior year.

Regarding the overall loan portfolio, the Company continued to focus on expanding its portfolio in high-yield and high-demand product segments, particularly title loans and others, which are secured by collateral. Outstanding title loans reached THB 69,405 million, up 8.19% compared to the same period of the prior year.

As of the end of Q1/2026, the Company's total outstanding receivables stood at THB 95,030 million, up 1.75% YoY. The proportion of title loans to the total portfolio rose to 73.03% from 68.69% in the same quarter of the prior year, consistent with the Company's portfolio restructuring strategy.

On asset quality, although total NPLs edged up slightly to THB 3,665 million in line with broader household debt conditions, the Company continues to monitor borrower quality closely and manage the NPL ratio at a manageable level. The Company has also set aside provisions on a conservative basis sufficient to cover potential risks.

The growth in profitability and the maintenance of loan portfolio quality this quarter occurred amid a Thai economy still expanding below potential and a retail lending industry facing structural challenges. This reflects the Company's ability to manage its loan portfolio and risk in line with continued economic uncertainty, while sustaining its capacity to generate returns.

(THB million)			Y on Y		Q on Q	
	Q1/26	Proportion	Q1/25	Proportion	Q4/25	Proportion
<b>Outstanding Receivables</b>	<b>95,030</b>	<b>100.00%</b>	<b>93,397</b>	<b>100.00%</b>	<b>94,964</b>	<b>100.00%</b>
- Title Loans and Others	69,405	73.03%	64,152	68.69%	69,214	72.88%
- Hire Purchase and Personal Loans	25,625	26.97%	29,245	31.31%	25,750	27.12%
<b>NPL</b>	<b>3,665</b>		<b>3,404</b>		<b>3,602</b>	
- Title Loans and Others	2,272		2,165		2,260	
- Hire Purchase and Personal Loans	1,393		1,239		1,342	

## 2. Operating Results

(THB million)	3 Months		Y on Y		Q on Q	
	Q1/26		Q1/25	% YoY	Q4/25	% QoQ
Interest Income	4,205		4,054	3.72%	4,141	1.55%
Other Income	340		411	-17.27%	350	-2.86%
Insurance Brokerage Income	356		310	14.84%	341	4.40%
Services and Administrative Expenses	1,848		2,175	-15.03%	1,850	-0.11%
- Loss on Sale of Foreclosed Assets	109		287	-62.02%	113	-3.54%
Expected Credit Losses	513		421	21.85%	551	-6.90%
Finance Costs	657		728	-9.75%	705	-6.81%
<b>Net Profit</b>	<b>1,457</b>		<b>1,138</b>	<b>28.03%</b>	<b>1,411</b>	<b>3.26%</b>
<b>Net Profit Margin</b>	<b>29.73%</b>		<b>23.83%</b>		<b>29.20%</b>	

## Financial Ratios

	Q1/26	Q1/25	Q4/25
Debt-to-Equity Ratio (times)	1.53	1.85	1.64
Interest Coverage Ratio (times)	4.26	3.34	3.66
Cost-to-Income Ratio (%)	35.48%	39.54%	35.95%

## Key Factors

- **Interest Income**

In Q1/2026, total interest income was THB 4,205 million, up 3.72% YoY and up 1.55% QoQ. This represented a return to year-on-year expansion following the slowdown in 2025 under a more stringent lending policy. The recovery is consistent with the resumption of growth in the title loan portfolio under a quality-focused growth framework and reflects the effectiveness of the portfolio restructuring carried out continuously since 2025.

- **Other Income and Insurance Brokerage Income**

In Q1/2026, Other Income was THB 340 million, down 17.27% YoY and down 2.86% QoQ. Insurance brokerage income was THB 356 million, up 14.84% YoY and up 4.40% QoQ, reflecting the Company's ability to expand its insurance brokerage revenue base through its existing branch network and loan customer base.

- **Services and Administrative Expenses**

In Q1/2026, Services and Administrative Expenses were THB 1,848 million, down 15.03% YoY, reflecting continued cost management efficiency, driven by the adoption of digital technology in service delivery and appropriate workforce management.

- **Loss on Sale of Foreclosed Assets**

In Q1/2026, Loss on Sale of Foreclosed Assets was THB 109 million, a significant decline of 62.02% YoY from THB 287 million in the same period of the prior year, and down 3.54% QoQ. This extends the positive trend that began in 2025, reflecting improved loan portfolio quality, more efficient foreclosed asset management processes, as well as greater stability in the used car market compared to early 2025.

- **Expected Credit Losses**

In Q1/2026, Expected Credit Losses was THB 513 million, up 21.85% YoY but down 6.90% QoQ. The year-on-year increase reflects provisioning on a conservative basis to cover credit risk among vulnerable customer segments amid an economy still expanding below potential and elevated household debt. The decline from Q4/2025, when the Company set aside additional provisions of THB 551 million, indicates that the provisioning level is now in line with the risk profile of the current portfolio.

- **Finance Costs**

In Q1/2026, Finance Costs were THB 657 million, down 9.75% YoY and down 6.81% QoQ, driven by appropriate debt structure and funding source management, together with the MPC's policy rate cut to 1.00%. This led to a continued decline in funding costs from both financial institutions and the debt capital market, supporting the Company's efficiency in managing funding sources and its ability to access low-cost funding.

- **Net Profit Margin**

In Q1/2026, the Net Profit Margin was 29.73%, up 5.90 percentage points from 23.83% in the same quarter of the prior year, and up 0.53 percentage points from 29.20% in Q4/2025. The continued improvement reflects efficient business cost management, particularly the decline in loss on the sale of foreclosed assets, lower finance costs, and disciplined operating expense management, combined with the resumption of growth in interest income, driving net profit growth of 28.03% YoY.

### 3. Financial Position

(THB million)	Y on Y			Q on Q	
	Q1/26	Q1/25	%YoY	Q4/25	%QoQ
Current Assets	69,402	66,035	5.10%	71,099	-2.39%
Non-Current Assets	37,433	40,813	-8.28%	36,575	2.35%
<b>Total Assets</b>	<b>106,835</b>	<b>106,848</b>	<b>-0.01%</b>	<b>107,674</b>	<b>-0.78%</b>
Current Liabilities	32,200	30,302	6.26%	31,810	1.23%
Non-Current Liabilities	32,346	39,057	-17.18%	35,105	-7.86%
<b>Total Liabilities</b>	<b>64,546</b>	<b>69,359</b>	<b>-6.94%</b>	<b>66,915</b>	<b>-3.54%</b>
Shareholders' Equity	42,289	37,489	12.80%	40,759	3.75%
<b>Total Liabilities and Shareholders' Equity</b>	<b>106,835</b>	<b>106,848</b>	<b>-0.01%</b>	<b>107,674</b>	<b>-0.78%</b>

#### Total Assets

Total assets as of 31 March 2026 stood at THB 106,835 million, virtually flat year-on-year and down 0.78% from the end of 2025. Current assets increased 5.10% YoY to THB 69,402 million, while non-current assets declined 8.28% YoY to THB 37,433 million, driven by the continued reduction in foreclosed assets, consistent with the improved efficiency in foreclosed asset disposal.

#### Total Liabilities and Shareholders' Equity

Total liabilities as of 31 March 2026 stood at THB 64,546 million, down 6.94% YoY and down 3.54% from the end of 2025, due to the repayment of borrowings and debentures upon maturity, alongside debt structure management aligned with the size of the loan portfolio.

Shareholders' equity increased 12.80% YoY and up 3.75% from the end of 2025 to THB 42,289 million, supported by continued operating profits. The Debt-to-Equity (D/E) ratio improved to 1.53 times, from 1.85 times in the same quarter of the prior year, reflecting capital and financial structure levels supportive of business growth and future opportunities.

#### Liquidity

As of 31 March 2026, the Company's ending cash balance was THB 5,369.74 million, which remains sufficient to support ongoing operations. The Company generated net cash flow from operating activities of THB 2,355.59 million. In Q1/2026, the Company repaid borrowings and debentures totaling THB 5,266.96 million upon maturity, reducing the financial cost burden and aligning the capital structure more appropriately.

#### 4. Outlook and Strategy 2026

In the MD&A for the year ended 2025, the Company set out a strategic framework for 2026 comprising five key priorities: Loan Portfolio Quality Enhancement, Selective Growth, Insurance Brokerage Business Expansion, Branch Network Restructuring and Digital Transformation, Regulatory Compliance and Borrower Protection

Operating performance in Q1/2026 confirms that this strategic framework is on the right track and capable of delivering high-quality returns. However, in the past quarter, the economy continued to face uncertainty from geopolitical factors, energy price volatility, and cost-of-living pressures. Significant developments in the operating environment during the quarter have prompted the Company to recalibrate the weighting of its strategic execution for Q2 through Q4 of 2026, to align with the evolving economic conditions and risks, as follows:

- **Loan Portfolio Quality Enhancement**

The Company continues to prioritize loan portfolio quality management. Elevated energy costs are expected to weigh on the repayment capacity of certain customer segments, particularly those in the transportation sector, agricultural workers, and labor-based occupations in provincial areas. The Company therefore plans to proactively enhance portfolio quality measures, including stricter new customer screening, early-bucket collection, and debt restructuring for affected customers, in order to limit the migration of loans into NPL status going forward.

- **Selective Growth**

The Company continues to expand the title loan portfolio, which grew 8.19% YoY in Q1/2026 with its share of the total loan portfolio rising to 73.03%. For the remainder of the year, the Company will place greater emphasis on the selection of collateral types, customer occupational segments, and service areas more aligned with appropriate risk levels. In addition, the Company will continue to build on insurance brokerage income, which grew 14.84% YoY in this quarter, to create a more balanced revenue mix and mitigate credit risk exposure.

- **Insurance Brokerage Business Expansion**

Insurance brokerage income grew 14.84% YoY in Q1/2026, continuing the steady expansion of this fee-based revenue stream. The Company will accelerate this momentum through the remainder of the year, leveraging cross-sell opportunities to the existing loan customer base across its nationwide branch network, broadening the product mix to capture emerging segments such as EV motor insurance and health-related coverage, and strengthening digital and Telesales channels. As a non-credit-risk income source that is highly complementary to the core lending business, insurance brokerage will play an increasingly important role in diversifying the Company's revenue base and supporting margin stability going forward.

- **Branch Network Restructuring and Digital Transformation**

The Company continues to execute its existing plans for branch network restructuring, including expansion in high-potential areas and downsizing of underperforming branches, alongside the continued advancement of the e-KYC, Mobile Lending Platform, and new Loan Management System (LMS), which are expected to be progressively rolled out within 2026. These investments aim to enhance operational efficiency, reduce unit costs, and support long-term credit risk management.

- **Regulatory Compliance and Borrower Protection**

The Company closely monitors and prepares to comply with new regulatory requirements, including the Bank of Thailand's Responsible Lending guidelines and new hire purchase lending regulations effective in 2026. The Company will provide appropriate assistance measures for borrowers affected by external factors, alongside prudent risk management, to support long-term business growth and appropriate customer care.

## **5. Factors That May Affect Operations or Growth**

The Thai economic outlook for 2026 points to slower growth than previously expected. In addition, geopolitical tensions in the Middle East that escalated toward the end of the quarter have driven volatility in global energy prices, affecting cost-of-living burdens and business operating costs for the Thai public. This may in turn affect the repayment capacity of the general population.

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## **6. Sustainability Development**

The Company is committed to operating in accordance with the principles of sustainable development, ensuring its operations align with international sustainability standards across the three dimensions of Environment, Social, and Governance (ESG), guided by the Sustainable Development Goals (SDGs) and supporting the Responsible Lending framework in creating business opportunities and shared value for all stakeholder groups. For 2026, the Company will continue to operate under its existing management approach, committed to driving business growth to create value for shareholders, customers, and all stakeholder groups, while conducting business responsibly and growing together with Thai society in a sustainable manner.

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