



Bangkok Commercial Asset Management Public Company Limited

## Management Discussion and Analysis

For the three-month period ended March 31, 2026

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## EXECUTIVE SUMMARY

In Q1/2026, the management of NPLs and NPAs continued to be carried out in a stable manner. The Company's operations were not directly impacted by geopolitical tensions in the Middle East. Nevertheless, although there were challenging factors from the overall economy expanding at a slower rate, including household debt levels that remained high and liquidity constraints of small and medium-sized enterprises (SMEs) that still required monitoring, with effective and flexible management strategies, the Company was able to manage such impacts efficiently and continued to maintain business continuity very well.

In managing NPLs, the Company implemented a proactive strategy to create incentives for debtors to continuously enter into debt restructuring. In addition, the Company is in the process of discussing with additional partner financial institutions in order to expand forms of efficient asset management through various mechanisms, such as joint investment (JV AMC), bilateral cooperation, or outsourced servicing/management.

For the management of NPAs, the Company accelerated the disposal of assets through sales promotion measures and specific programs on an ongoing basis. At the same time, the Company continued to build cooperation with partners, both in the group of real estate developers and brokers, to support asset sales, including discussions with government agencies to consider using the assets in employee welfare programs.

**For Q1/2026 Operating Results**, the consolidated financial statements recorded net profit of Baht 217 million, unchanged compared with the same period last year, and the separate financial statements recorded net profit of Baht 178 million, decreasing by 14.8 percent from the same period last year.

In terms of collections, compared with the same period last year, the Company had total collections of Baht 3,026 million, decreasing by 5.2 percent, consisting of NPL debt repayments of

Baht 2,039 million, increasing by 4.3 percent. Debt repayments continued to have satisfactory growth, reflecting that collection efficiency remained at a good level. For the retail debtor group, the Company implemented a proactive strategy through debt restructuring programs aligned with each debtor's repayment capacity in order to maintain continuity of cash flow, emphasizing the provision of appropriate benefits. As a result, in Q1/2026 the Company was able to increase the number of debtors entering debt restructuring status (TDR) by more than 582 accounts.

For the sale of non-performing assets (NPAs), the Company had collections of Baht 987 million, decreasing by 20.2 percent from the same period last year, as a result of the slowdown in the real estate market. However, the Company continued to accelerate asset sales through installment programs and sales promotion campaigns, including the "Assets For All Plus" project, which helped support access to assets and increased installment-based sales by 203 items. In Q1/2026, the sale price-to-appraisal ratio was approximately 85.3 percent (year 2025: 88.8 percent), reflecting the ability to adjust sales strategies to align with market conditions and continuously maintain efficiency in asset liquidation.

**For investment**, in Q1/2026 the Company won auctions of distressed assets, with claim amount of Baht 473 million, while an acquisition cost-to-collateral appraisal value ratio remaining stable. In addition, the Company still has assets of more than Baht 33,771 million that are in the process of auction and data review (due diligence). The Company assesses that trading activity of distressed assets in Q1/2026 was more active than the same period last year, as reflected by actual trading volumes in the overall market.

**For joint venture companies**, in Q1/2026 Ari AMC reported net profit of Baht 64 million, and Arun AMC had net profit of Baht 15 million. Both companies were able to generate positive operating performance, consistent with the approach of business expansion and leveraging the Company's asset management expertise under cooperation with partner financial institutions.

## 1. KEY HIGHLIGHTS IN Q1/2026

### 1.1 BAM wins national and international awards, reinforcing the strength of the organization

On 16 January 2026, BAM received an **Outstanding Energy Conservation Award**, in the Controlled Building category, at the Thailand Energy Awards 2025, which reinforced BAM's role as a national model for energy conservation and renewable energy, aiming toward Carbon Neutrality and Net Zero by 2050.

On 26 February 2026, BAM received 2 international honorary awards: "**Leading of Social Product**" and "**Leading of Governance**", reflecting excellence in every dimension, from the Future Trends Awards 2026, the ultimate trend leader awards of the year, under the concept "The Winner of Tomorrow," to recognize organizations and leaders who create innovation and drive new value for society.

On 23 March 2026, BAM won the **Thailand Top Company Awards 2026**, in a winner award category in the financial industry, organized by Business+ magazine, ARIP Public Company Limited, together with the University of the Thai Chamber of Commerce. This award is given to organizations with outstanding performance and high-level success in the country which also serve as examples of the success of Thai business organizations in continuously driving the country's economy to grow.

On 25 March 2026, BAM won the international "**Outstanding Brands**" award, the most outstanding brand of the year 2025, at the 2025 ASIA CEO SUMMIT & AWARD CEREMONY (Thailand), organized by Influential Brands, Singapore, together with Neo Target, an Asia-level stage that honors organizations and brands that can create influence in the market and be outstandingly remembered by consumers.

### 1.2 BAM moves forward to becoming a Regional Player, elevating the organization through cooperation and knowledge from the Republic of Korea

On 20 March 2026, the Board of Directors and senior executives conducted a study visit and knowledge exchange at Korea Asset Management Corporation (KAMCO) to study internationally successful asset management approaches, and at the Global Knowledge Exchange and Development Center (GKEDC), Republic of Korea, which is an international economic development learning hub under the support of Korea Development Institute (KDI), to study policy concepts and lessons from the Republic of Korea's economic development experience. This study visit reinforced BAM's objective to create a "debt resolution ecosystem" connected at the regional level and to prepare to step toward becoming a Regional Asset Management Platform.

### 1.3 Sales promotion activities for non-performing assets (NPAs)

BAM continued to actively promote asset sales through targeted initiatives.

**"Assets For All Plus"** On 16 March 2026, BAM launched the Assets For All Plus project, extending the success of the project "Assets for All: Homes for Those Striving to Move Forward", with the objective of promoting access to housing for people with unstable income or limitations in obtaining credit from financial institutions, whereby customers can pay installments directly to BAM. The project includes more than 21,000 assets, with a total value of more than Baht 32,000 million.

**"The 49<sup>th</sup> House and Condo Expo"** During 19-22 March 2026, BAM brought non-performing assets (NPA), both residential assets and investment assets in potential locations nationwide, more than 21,000 items, to offer for sale to interested buyers, with special conditions such as free ownership transfer fees up to 900,000 baht and giveaways, and also brought assets in the "Assets For All Plus" project as key highlights within the event.

## 2. SUSTAINABILITY PERFORMANCE

Under the concept “ESG in Process,” the Company integrates ESG principles into asset management and organizational operations in every process to ensure that ESG principles and BAM’s five principles of goodness—namely being good to the nation, good to communities, good to customers, good to shareholders, and good to employees—are applied as a strategy for decision-making and driving the organization in a concrete manner, can be tracked and measured systematically, and create positive impacts for society, the economy, and all stakeholders sustainably.

### Environmental Dimension

- Systematic management of non-performing assets under the concept “Transforming Abandoned Assets into Value-Generating Properties,” which reduces the use of resources from new construction, directly reducing environmental impacts and promoting prudent resource use
- Signing an MOU with Arsom Silp Institute of the Arts to drive the project “National Asset: Revitalization Model for the Creative Economy,” by rehabilitating “Ban Phra Phithak” through preserving community identity, participation of local people, and creating appropriate livelihood opportunities
- Preparing readiness for climate change and disasters, with ERM Siam as a consultant in setting approaches and preparing disclosures under ISSB standards (IFRS S1 and S2), covering business and sustainability risk management
- BAM received an Outstanding Energy Conservation Award, in the Controlled Building category, at the Thailand Energy Awards 2025, reflecting being a model organization in energy management.
- Setting targets toward Carbon Neutrality and Net Zero by 2050, driven through the working group on energy and environmental management of office buildings, replacement of energy-saving equipment, waste

management under Green Office standards, and participation in various environmental projects.

### Social Dimension

- Public health: the Company supported medical equipment for Phimai Hospital, Nakhon Ratchasima Province, to enhance patient care efficiency, especially for heart and vascular disease patients.
- Education and youth development: The Company supported a budget of Baht 1,000,000 for the Chula Alumni Homecoming 2026 event, “One Night Only: CU 109<sup>th</sup> Anniversary Homecoming”, to be used to support educational activities and projects of Chulalongkorn University.
- Child and youth protection: the Company supported a budget of Baht 115,000 to the Childline Thailand Foundation to support counseling systems and timely assistance for children and youth.
- Opportunity and equality: the Company donated funds from the activity “Sharing Beloved Items of Executives” totaling Baht 115,000 to the Universal Foundation for Persons with Disabilities, to promote careers and self-reliance of persons with disabilities.
- Community development: the Company jointly supported the construction of a nursing room and a cooperative room for Ban Mae Toe School, Chiang Rai Province, to improve quality of life and educational opportunities in remote areas.

### Governance Dimension

- Corporate governance is the foundation of confidence and sustainability of the organization under the concept “Growth with Good Governance,” reflected through actual practices in every operational process.
- Participation in the Corporate Governance Report of Thai Listed Companies (CGR) assessment for year 2026.

### 3. MANAGEMENT DISCUSSION AND ANALYSIS

#### 3.1 Financial Statements

##### Significant items in financial statements in which the equity method is applied (for the three-month period ended March 31, 2026)

**Assets** As of March 31, 2026, the Company had total assets of Baht 133,190 million, decreasing by 2.1% from the year ended 2025.

- Investments – net of Baht 425 million decreased by 38.2% from the year ended 2025, mainly due to the revaluation of securities acquired through debtors' debt settlement to reflect fair value.
- Investments in joint ventures of Baht 802 million increased by 5.1% from the year ended 2025, mainly from total share of profit from investments accounted for under equity method of Baht 165 million, divided into ARI AMC of Baht 114 million and ARUN AMC of Baht 51 million.
- Other assets – net of Baht 183 million increased by 55.5% from the year ended 2025, mainly due to the recognition of dividend income receivables from securities acquired through debtors' debt settlement, as well as prepaid expenses and deferred expenses, including common area fees, signboard tax, and land and building tax.

**Liabilities** As of March 31, 2026, the Company had total liabilities of Baht 88,214 million, decreasing by 3.2% from the year ended 2025, and had the debt-to-equity ratio or D/E of 1.96 times.

- Accrued expenses of Baht 60 million decreased by 84.9% from the year ended 2025, mainly attributable to bonus payments based on 2025 performance criteria which had previously been accrued.
- Other liabilities of Baht 342 million decreased by 41.0% from the year ended 2025, primarily attributable to a reduction in suspense accounts, resulting from the transfer of debtors back to the original financial institutions.

**Equity** As of March 31, 2026, the Company had total equity of Baht 44,977 million, increasing by 0.1% from the year ended 2025.

##### Interest Income –net

Unit: Baht in Million	Q1 2026	Q4 2025	qoq % Inc. (Dec.)	Q1 2025	yoy % Inc. (Dec.)
<b>Interest Income - net</b>	<b>1,258</b>	<b>1,583</b>	<b>(20.5)</b>	<b>1,706</b>	<b>(26.3)</b>
<b>Total Interest Income</b>	<b>1,968</b>	<b>2,330</b>	<b>(15.5)</b>	<b>2,518</b>	<b>(21.8)</b>
Deposit at financial institutions	1	1	0.0	1	0.0
Loans purchased of receivables	1,925	2,287	(15.8)	2,480	(22.4)
- Interest income	1,564	1,802	(13.2)	1,867	(16.2)
Part of amount received	954	1,175	(18.8)	727	31.2
Part of accrued receivables	610	627	(2.7)	1,140	(46.5)
- Gain on loans purchased of receivables	361	485	(25.6)	613	(41.1)
Installment sale receivables	24	35	(31.4)	23	4.3
<b>Total interest expenses</b>	<b>709</b>	<b>747</b>	<b>(5.1)</b>	<b>813</b>	<b>(12.8)</b>
Debt issued – debentures	542	579	(6.4)	616	(12.0)
Debt issued – promissory notes	4	4	0.0	5	(20.0)
Borrowings	163	164	(0.6)	192	(15.1)

- In Q1/2026, the Company had **interest income – net** of Baht 1,258 million, decreasing by 26.3% yoy, this was because interest income on loans purchased of receivables decreased by 22.4% yoy (recognizing higher part of

amount received and lower part of accrued receivables). Gain on loans purchased of receivables decreased by 41.1% yoy due to higher cost recognition from repayments, while interest expenses decreased by 12.8% yoy.

- **Compared to Q4/2025** Interest income – net decreased by 20.5% qoq, as a result of a 15.8% qoq decrease in interest income from loans purchased of receivables.
- As of March 31, 2026, the Company had fixed interest rate debt of 76% and floating interest rate debt of 24%, and an average cost of funds was 3.26% (2025: 3.32%).

#### Gain on sale of properties for sale and installment sale

- For the three-month period ended March 31, 2026, the Company had total gain on sale of properties for sale of Baht 295 million, decreasing by 24.7% yoy, mainly due to sales of NPAs.
- **Compared to Q4/2025** Gain on sale of properties for sale decreased by 61.1% qoq, for the same reason.

#### Other operating income

- In Q1/2026, the Company had **other operating income** of Baht 53 million, decreasing by 22.1% yoy, mainly due to dividend income from securities acquired through debtors' debt settlement.
- **Compared to Q4/2025** Other operating income increased by 178.9% qoq, for the same reason.

#### Other Operating Expenses

Unit: Baht in Million	Q1 2026	Q4 2025	qoq % Inc. (Dec.)	Q1 2025	yoy % Inc. (Dec.)
<b>Other operating expenses</b>	<b>669</b>	<b>1,039</b>	<b>(35.6)</b>	<b>635</b>	<b>5.4</b>
Employee expenses	377	440	(14.3)	336	12.2
Directors' remunerations	3	7	(57.1)	3	0.0
Premises and equipment expenses	50	58	(13.8)	49	2.0
Taxes and duties	89	183	(51.4)	108	(17.6)
Impairment loss on properties for sale (reversal)	8	164	(95.1)	28	(71.4)
Properties for sale expenses	46	69	(33.3)	42	9.5
Other expenses	96	117	(17.9)	69	39.1

- In Q1/2025, **other operating expenses** of Baht 669 million, increasing by 5.4% yoy. This was mainly due to bonus payments based on the 2025 performance criteria, as well as sales promotion and marketing expenses.
- **Compared to Q4/2025** Other operating expenses decreased by 35.6% qoq, mainly due to lower taxes and duties and other expenses, including a decrease in impairment losses on NPAs.

#### Expected credit loss

For the three-month period ended March 31, 2026, the Company recorded the expected credit loss of Baht 726 million, decreasing by 42.7% yoy, mainly due to a repayment from a major debtor. Expected credit loss on loans purchased of receivables of Baht 719 million can be divided into loans purchased of receivables - accrued interest receivables of Baht 610 million and additional amount of Baht 109 million set aside based on factors such as debt quality, remaining cost from purchase of collateral or collateral transfer in satisfaction of debt by debtors, and bad debt write-off. The Company had considered setting aside the additional amount based on the principle of caution and expected that it would be sufficient under current economic uncertainty.

## 3.2 Collection from NPLs and NPAs management businesses

The Company believes that for the NPLs and NPAs management business, collection is a key performance indicator which is applied by other operators in the same business and various investors. Collection is calculated based on key items and so does not include all collection items from NPLs and NPAs management business. However, collection is not a standard indicator prescribed by TFRS, and so the methods of calculation may differ from methods of calculation used by other companies for similar items.

### 3.2.1 Collection Received from NPLs Management Business

For the three-month period ended March 31, 2026, the Company's collection received from NPLs management business was Baht 2,039.6 million which consisted of collection from the debtors of Baht 1,411.2 million and collection from the Legal Execution Department of Baht 628.4 million.

Collection received from NPLs management business (Unit: Baht in million)	Q1 2026	Q4 2025	qoq % Inc. (Dec.)	Q1 2025	yoy % Inc. (Dec.)
Collection from regular repayments	1,411.2	1,312.5	7.5	1,208.5	16.8
Collection from the Legal Execution Department	628.4	772.7	(18.7)	746.7	(15.8)
<b>Total Collection from NPLs management business</b>	<b>2,039.6</b>	<b>2,085.2</b>	<b>(2.2)</b>	<b>1,955.2</b>	<b>4.3</b>

### 3.2.2 Collection from NPAs Management Business

For the three-month period ended March 31, 2026, the Company's collection received from NPAs management business was Baht 986.6 million which consisted of Baht 806.9 million from NPAs sales through one-and-done payments and Baht 149.6 million from installment sales, and other collection, such as rents and forfeiture of the marginal deposit of Baht 30.1 million.

Collection received from NPAs management business (Unit: Baht in million)	Q1 2026	Q4 2025	qoq % Inc. (Dec.)	Q1 2025	yoy % Inc. (Dec.)
One-and-done payments	806.9	1,498.6	(46.2)	1,057.8	(23.7)
Installment sales	149.6	467.7	(68.0)	131.8	13.5
Other collection	30.1	2.3	1,208.7	47.1	(36.1)
<b>Total collection from NPAs management business</b>	<b>986.6</b>	<b>1,968.6</b>	<b>(49.9)</b>	<b>1,236.7</b>	<b>(20.2)</b>

### 3.3 Vintage Analysis

The Company has collection received from loans purchased of receivables through debt restructuring and collection from sales of properties for sale through outright sale and installment sale.

#### 3.3.1 Loans purchased and foreclosed collateral properties

The following table sets forth certain details regarding the appraisal value and outstanding balance of our loans purchased and properties for sale that had been converted from collateral (“Foreclosed Collateral Properties”) as of March 31, 2026:

Time since acquisition	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	Total
<b>Loans purchased:</b>												
(Baht in million, except for ratios)												
Outstanding balance	2,207.6	5,599.2	10,719.9	7,304.5	2,900.7	3,362.0	7,620.1	4,999.3	4,429.2	4,850.4	22,593.7	76,586.7
Appraisal value <sup>1</sup>	8,360.7	15,321.4	22,242.1	12,798.4	5,089.0	6,743.0	11,878.1	8,605.9	9,578.5	8,936.2	56,605.0	166,158.4
<b>Appraisal value/ Outstanding balance (x)</b>												
	3.8	2.7	2.1	1.8	1.8	2.0	1.6	1.7	2.2	1.8	2.5	2.2
<b>Foreclosed collateral properties:</b>												
(Time since transferred to NPAs)												
Outstanding balance <sup>2</sup>	6,651.9	4,683.3	5,186.6	4,328.2	3,173.3	2,821.4	2,836.0	2,139.5	1,690.5	1,061.7	3,471.9	38,044.4
Appraisal value	11,535.0	7,608.3	8,826.8	7,419.7	5,583.0	5,009.6	5,477.7	4,276.6	3,262.1	2,196.7	6,973.7	68,169.3
<b>Appraisal value/ Outstanding balance (x)</b>												
	1.7	1.6	1.7	1.7	1.8	1.8	1.9	2.0	1.9	2.1	2.0	1.8

Notes: 1 Collateral value is calculated based on the appraisal price in accordance with the latest resolution of the committee on the appraisal price (notwithstanding some of the appraisal prices having been appraised more than 3 years ago), and if collateral has been auctioned and sold, the winning price less estimated expenses is used in lieu of collateral value. The collateral value is based on appraisal price before taking into account the accrued debt obligation and the mortgage value.

2 The actual cost of acquiring the assets before revaluation of properties for sale

The appraisal value of loans purchased and foreclosed collateral properties was approximately 2.2 and 1.8 times the outstanding balance across different vintages. The Company is diligent in the collection and seeks to maintain levels of collection from both distressed assets and properties for sale.

The following table sets forth certain details regarding the Company's collection and acquisition cost for portfolios of loans purchased and foreclosed collateral properties with various holding periods as of March 31, 2026:

Time since acquisition	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	Total
<b>Loans purchased and foreclosed collateral properties</b>												
(Baht in million, except for ratios)												
Total collection	534.8	2,061.6	4,133.0	4,902.3	4,740.4	6,096.4	11,277.1	9,098.1	11,219.7	10,301.7	224,962.7	289,328.0
Distressed debt asset collection	136.3	1,071.1	2,318.7	2,186.4	1,600.5	2,430.0	5,890.2	4,530.8	7,119.9	6,767.1	181,154.7	215,205.9
Foreclosed collateral properties collection	398.5	990.5	1,814.3	2,715.8	3,139.9	3,666.4	5,386.9	4,567.3	4,099.8	3,534.6	43,808.0	74,122.1
Acquisition cost	2,303.9	6,742.5	12,862.2	9,422.6	4,678.0	6,040.8	14,204.1	10,628.6	12,376.4	13,260.6	177,796.5	270,316.1
Collection / Acquisition cost (%)	23.2	30.6	32.1	52.0	101.3	100.9	79.4	85.6	90.7	77.7	126.5	107.0

Collection tends to gradually increase within the first 1 to 3 years after an asset acquisition as we carry out preparation, negotiation, and restructuring activities, and then accelerates in the recovery period. As of March 31, 2026, total collection for assets acquired from 2 - less than 3 years is 32.1% which was lower than the total collection for assets acquired over 10 years ago of 126.5%

From the portfolios of loans purchased that the Company has acquired in 1 to 2 years prior to March 31, 2026, the Company collected Baht 2,061.6 million (of which Baht 1,071.1 million was from distressed debt assets and Baht 990.5 million was from foreclosed collateral properties) and had a total outstanding balance of Baht 10,282.5 million (of which Baht 5,599.2 million is from distressed debt assets and Baht 4,683.3 million is from foreclosed collateral properties), with a total appraisal value of Baht 22,929.7 million (of which Baht 15,321.4 million from distressed assets and Baht 7,608.3 million from foreclosed collateral properties).

### 3.3.2 Directly Acquired Properties for sale

The following table sets forth certain details regarding the appraisal value and outstanding balance of properties for sale acquired directly (“Directly Acquired Properties for Sale”) as of March 31, 2026.

Directly Acquired Properties for sale:	Time since acquisition											Total
	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	
Outstanding balance	6.5	8.7	21.7	150.2	5.5	29.2	858.1	800.6	90.7	167.2	1,695.0	3,833.3
Appraisal value	17.6	16.2	38.9	290.9	10.4	66.9	1,555.1	1,446.3	161.7	308.0	5,036.7	8,948.6
Appraisal value/ outstanding balance(x)	2.7	1.9	1.8	1.9	1.9	2.3	1.8	1.8	1.8	1.8	3.0	2.3

As of March 31, 2026, the total appraised value of the assets is 2.3x of the total outstanding balance of Directly Acquired Properties for sale.

The following table sets forth certain details regarding the Company’s collection and acquisition cost of the portfolios of Directly Acquired Properties for sale with various holding periods as of March 31, 2026.

Direct Acquired properties for sale:	Time since acquisition											Total
	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	
Collection	0.0	0.0	5.7	38.6	0.0	57.5	1,305.5	291.0	273.5	877.0	49,644.5	52,493.3
Acquisition cost	6.5	8.7	24.1	174.0	6.0	62.6	1,861.6	1,198.0	243.0	709.2	23,493.7	27,787.3
Collection/acquisition cost (%)	0.0	0.0	23.7	22.2	0.0	92.0	70.1	24.3	112.6	123.7	211.3	188.9

As of March 31, 2026, collection for Directly Acquired Properties for sale is 23.7% of the acquisition cost of assets acquired from 2 – less than 3 years as compared with 211.3% of that of assets acquired more than 10 years.

We had collected Baht 5.7 million from the properties for sale that we directly acquired 2 to less than 3 years prior to March 31, 2026. The Company had total outstanding balance of Baht 21.7 million and total appraisal value of Baht 38.9 million.

### 3.4 NPLs Concentration by Portfolio

The following table sets forth information regarding our individual debtors with the 10 largest remaining acquisition costs of NPLs as of the dates indicated.

Major Debtors <sup>1</sup>	Baht in millions			Baht in millions	
	Year ended December 31,			Year ended March 31,	
	2023	2024	2025	2026	
Debtor 1	3,035	3,035	589	589	
Debtor 2	589	589	558	558	
Debtor 3	558	558	389	389	
Debtor 4	389	389	324	324	
Debtor 5	324	324	291	291	
Debtor 6	291	291	288	288	
Debtor 7	288	288	260	260	
Debtor 8	260	260	255	255	
Debtor 9	255	255	220	220	
Debtor 10	224	224	201	199	
<b>Sub-total</b>	<b>6,213</b>	<b>6,213</b>	<b>3,377</b>	<b>3,375</b>	
<b>Total NPLs</b>	<b>77,959</b>	<b>77,503</b>	<b>68,467</b>	<b>66,627</b>	

Notes: <sup>1</sup> Represents our top 10 debtors by remaining acquisition of NPLs as of the dates indicated. Our top 10 debtors may vary from year to year.

### 3.5 NPAs Concentration by Region and by Type

Our NPAs are located throughout Thailand. As of March 31, 2026, 36.8% of net value of our NPAs are located in Bangkok and its vicinity and 56.8% of net value of our NPAs are residential properties.

The following table sets forth certain details of our NPAs by region as of the date indicated.

Value of NPAs by Geography of Real estate	Baht in millions			Baht in millions
	As of December 31,			As of March 31,
	2023	2024	2025	2026
Immovable assets				
Bangkok and its vicinity	12,933	13,931	14,870	15,096
Central and Eastern Thailand	8,220	8,868	10,277	10,319
Northern Thailand	4,717	5,069	5,208	5,178
Northeast Thailand	4,090	4,727	5,418	5,585
Southern Thailand	4,909	5,020	4,853	4,852
Moveable assets	78	12	16	16
<b>Total</b>	<b>34,947</b>	<b>37,627</b>	<b>40,642</b>	<b>41,046</b>

The following table sets forth a breakdown of the value of our NPAs by type as of the date indicated

Value of NPAs by Type of Real estate	Baht in millions			Baht in millions
	As of December 31,			As of March 31,
	2023	2024	2025	2026
Immovable assets				
Vacant land	5,172	5,449	5,448	5,631
Hotels	784	792	1,756	1,736
Commercial properties	9,301	8,212	10,186	10,339
Residential properties	19,612	23,162	23,238	23,324
Moveable assets	78	12	16	16
<b>Total</b>	<b>34,947</b>	<b>37,627</b>	<b>40,642</b>	<b>41,046</b>

As of March 31, 2026, the Company had net NPAs value of Baht 41,046 million and the appraisal NPAs value of Baht 77,118 million (of which Baht 77,093 million for immovable assets and Baht 25 million for movable assets).

## 4. SOURCES AND USES OF FUNDS

As of March 31, 2026, the capital structure according to the financial statements consisted of liabilities of Baht 88,214 million and equity of Baht 44,977 million, resulting in a D/E ratio of 1.96 times. The main components of debt funding sources are debt instruments issued and borrowings, most of which are debentures totaling Baht 59,991 million and borrowings totaling Baht 25,413 million, accounting for 69.8% and 29.6% of total liabilities, respectively.

The Company has 7 tranches of debentures amounting to Baht 12,770 million scheduled to mature in 2026, as detailed below.

	Maturity Date	No.	Series	Number issued (million units)	Amount Issued (Baht in millions)	Maturity Period	Interest Rate (% p.a.)
1	4 Apr 26	1/2024	1	0.24	240	2 years	3.24
2	9 Apr 26	1/2021	4	6.00	6,000	5 years	3.05
3	17 May 26	1/2023	1	3.20	3,200	3 years	3.24
4	16 Jul 26	2/2024	1	1.42	1,416	2 years	3.41
5	27 Jul 26	2/2022	2	0.41	405	4 years	3.47
6	12 Oct 26	2/2023	2	0.21	209	3 years	3.73
7	2 Dec 26	2/2021	2	1.30	1,300	5 years	2.60
Total				12.78	12,770		

## 5. ECONOMIC TRENDS AND NPLS IN THE FINANCIAL INSTITUTIONS SYSTEM

### 5.1 Economic Situation in Q1/2026 and Outlook for Q2/2026

In Q1/2026, the global economic outlook improved during the first half of the quarter but remained subject to uncertainty stemming from geopolitical tensions in the Middle East, which affected investment sentiment, financial conditions, and overall monetary policy direction toward the latter part of the quarter. Meanwhile, the Thai economy was expected to have expanded from the previous quarter, supported by exports, industrial production, and government spending. However, tensions in the Middle East continued to exert broad, systemic impacts on the economy, affecting the tourism sector, household purchasing power, and liquidity conditions of SMEs.

**Outlook for Q2/2026** The global economy is expected to remain affected by geopolitical uncertainties, which continue to influence energy prices, transportation costs, and global trade volumes. Emerging markets and developing economies are likely to be more adversely affected than advanced economies, while elevated public debt levels remain a key constraint in many countries. The International Monetary Fund (IMF) projects global economic growth of 3.1% and 3.2% in 2026 and 2027, respectively. For Thailand, economic growth is expected to moderate due to pressures on private consumption and tourism arising from the ongoing geopolitical situation. Nevertheless, additional government stimulus measures, including the “Thai Chuay Thai Plus” program, may support stronger-than-expected economic expansion. Key factors to monitor include inflation trends, pricing behavior, rising cost pressures, and the risk of supply chain disruptions. The Fiscal Policy Office projects Thailand’s economic growth at 1.6% for 2026.

### 5.2 AMC Industry Overview

According to the Bank of Thailand’s report as of May 9, 2026, there were 86 asset management companies (AMCs) (including BAM) that submitted financial statements and had total estimated assets of Baht 300 billion as of 31 March 2026. BAM’s total assets of Baht 133 billion account for 44.3% of the industry’s total assets, reflecting that BAM remains a major player in the AMC business. As for NPLs trading activity, in Q1/2026 it was more active than in the corresponding period last year, as evidenced by higher transaction volumes. As of the end of Q1/2026, approximately Baht 34 billion of NPLs were under auction and bidding processes.

### 5.3 NPLs in the Financial Institutions System

The amount of non-performing loans (NPLs) of commercial banks and Specialized Financial Institutions (SFIs) in the system as of the end of Q4/2025, according to reports by the Bank of Thailand and the Fiscal Policy Office, was Baht 827 billion (a 1.1% decrease from the end of Q3/2025 of Baht 835

billion) and accounted for 3.2% of total loans in the system (total loans as of Q4/2025: Baht 25.60 trillion).

As for Special Mention Loans (SMLs), which have overdue principal or interest payments for more than 1 month but not exceeding 3 months and are considered to hold significantly-increased credit risk according to TFRS 9, the amount was Baht 1.71 trillion or 6.7% of total loans as of Q4/2025.

## 6. FACTORS THAT MAY AFFECT THE COMPANY'S OPERATIONS

### 6.1 Economic Stimulus Measures and Mitigation of the Impact from the Middle East Conflict

The “**Thai Chuay Thai Plus**” Program: a key government policy aimed at supporting the general public, state welfare cardholders, and businesses in addressing rising living costs and the impact of the energy crisis stemming from the Middle East conflict. The program is expected to benefit over 43 million individuals and will be implemented in two phases over a four-month period, with Phase 1 scheduled to commence in June 2026.

In addition, the Ministry of Finance has introduced **further support measures**, including financial assistance to households, farmers, and SMEs through soft loan programs provided by Specialized Financial Institutions (SFIs), the relaxation of public procurement regulations by the Comptroller General’s Department to ease the burden on government contractors, and fuel subsidy measures for the transportation sector, with a total budget allocation exceeding Baht 2 billion.

### 6.2 “Pid Nee Wai, Pai Tor Dai” Program

This is a targeted initiative designed to assist retail NPL debtors in restructuring their debts, improving their credit bureau (NCB) records, and ultimately regaining access to new financing. The program, which commenced in January 2026 and has a duration of three years, focuses on individual borrowers with NPL balances not exceeding Baht 100,000 per account and offers two options: "Pay-to-Close" or "Installment Repayment". Under this

program, debts of borrowers from commercial banks and companies within commercial banks’ financial business groups will be transferred and assisted by SAM, while debts of borrowers from SFIs will be transferred and assisted by ARI AMC.

### 6.3 Policy Interest Rate

At the Monetary Policy Committee (MPC) Meeting No. 1/2026 on 25 February 2026, the policy rate was reduced by 0.25% to 1.00% per annum, and subsequently maintained at the same level during the MPC Meeting No. 2/2026 on 29 April 2026. The decision reflects a slowing economic outlook amid the ongoing Middle East conflict, which has contributed to inflationary pressures, higher living costs for households, and tighter credit conditions for SMEs. The Committee assessed that the current policy rate remains appropriate to support the economic recovery.