



WR/SET/0011/2026

May 15, 2026

Subject: Management Discussion and Analysis for the three-month period ended March 31, 2026

To: The President
The Stock Exchange of Thailand

Warrix Sport Public Company Limited (“the Company”) would like to submit these Management Discussion and Analysis of the Company’s operation for the three-month period ended March 31, 2026 with details as follows:

Performance Overview

For the three-month period ended March 31, 2026 (“1Q26”), Warrix Sport Public Company Limited generated revenue from sales and services of THB 363.98 million, which increased by 10.17% YoY. The key factors were as follows:

- Growth in sales of Non-Licensed products, particularly classic and collection products such as Classic and Seasonal Polo Shirts, running products, running shoes, and T-shirts, supported by marketing and advertising activities through the T-shirt Campaign, which enabled broader access to target consumer groups.
- Growth in sales of Licensed products, including other licensed products, as well as increased revenues from sponsorship contracts resulting from additional purchase orders from domestic football clubs.
- Growth in online channels, with a focus on sales through TikTok Live and E-commerce platforms, enabling the Company to more effectively reach target consumers. In addition, other channels such as retail channel also recorded growth due to the expansion of sales points in strategic locations and the Company’s sponsorship of BURIRAM MARATHON 2026.
- Initial recognition of royalty fee income in 1Q26 from SHANGHAI HUIZHONG TECHNOLOGY CO., LTD. (“Himaxx Outlet”).
- Nevertheless, Traditional Trade, Modern Trade, Shops, and Project-Based channels continued to be affected by the economic slowdown and weakened consumer purchasing power, while Inter Sales declined due to the closure of branches in Singapore and slower-than-expected growth of distributors.

The Company recorded a net loss of THB 38.12 million in 1Q26, representing a decrease of 2,572.06% compared to 1Q25, primarily due to selling and administrative expenses increasing at a higher rate than revenue growth. The main causes were higher variable expenses of online channels in line with increased sales, expenses related to new shop openings and operations, and increased of personnel expenses.

Moreover, in 1Q26, the Company recognized an allowance for diminution in value of obsolete inventories amounting to THB 14.16 million, which was recorded under cost of goods sold. Nevertheless, the gross profit margin in 1Q26 increased by 0.91% compared to 1Q25, attributable to the proportion of sales generated through Owned Channels increasing to 69%, which yield higher gross profit margins, together with lower discount offerings. In addition, the gross profit margin of Non-Licensed products, particularly classic products, improved as the Company commenced direct procurement of key raw materials and managed the production process across all stages, instead of purchasing finished goods, thereby enhancing cost control efficiency.

Furthermore, during 1Q26, the Company recognized expected credit loss allowance (ECL) amounting to THB 9.97 million and impairment losses on assets of subsidiaries amounting to THB 3.56 million, consisting of goodwill impairment allowance and impairment allowance on intangible assets – customer relationships. In addition, the Company recognized estimated expenses related to litigation amounting to THB 4.74 million, resulting in an operating loss for the period.

Separate financial statements for the three-month period ended March 31, 2025 and 2026

Statement of Comprehensive Income	1Q26		1Q25		Chg. (YoY)	
	THB million	%	THB million	%	THB million	%
Revenue from sales and services	340.71	100.00%	321.41	100.00%	19.30	6.00%
Cost of goods sold and services	181.65	53.31%	166.01	51.65%	15.63	9.42%
Gross Profit	159.07	46.69%	155.40	48.35%	3.67	2.36%
Other income	5.54	1.63%	4.88	1.52%	0.66	13.55%
Earnings before expenses	164.61	48.31%	160.28	49.87%	4.33	2.70%
Selling Expenses	150.03	44.04%	118.05	36.73%	31.99	27.10%
Administrative Expenses	43.97	12.90%	33.64	10.47%	55.72	30.71%
Impairment loss on asset	45.40	13.32%	-	0.00%	45.40	100.00%
Total Expenses	239.39	70.26%	151.68	47.19%	87.71	57.83%
Earnings before interest and tax	(74.79)	(21.95%)	8.60	2.67%	(83.38)	(969.96%)
Finance Costs	2.64	0.77%	2.48	0.77%	0.16	6.62%
Tax Expenses	(15.49)	(4.55%)	1.13	0.35%	(16.62)	(1471.78%)
Net Profit (Loss)	(61.93)	(18.18%)	4.99	1.55%	(66.92)	(1340.75%)

Consolidated financial statements for the three-month period ended March 31, 2025 and 2026

Statement of Comprehensive Income	1Q26		1Q25		Chg. (YoY)	
	THB million	%	THB million	%	THB million	%
Revenue from sales and services	363.98	100.00%	330.37	100.00%	33.61	10.17%
Cost of goods sold and services	186.45	51.23%	172.24	52.14%	14.21	8.25%
Gross Profit	177.53	48.77%	158.13	47.86%	19.40	12.27%
Other income	6.06	1.66%	4.83	1.46%	1.23	25.46%
Earnings before expenses	183.58	50.44%	162.96	49.33%	20.63	12.66%
Selling Expenses	163.91	45.03%	122.47	37.07%	41.44	33.84%
Administrative Expenses	57.36	15.76%	35.32	10.69%	22.03	62.37%
Impairment loss on asset	3.56	0.98%	-	0.00%	3.56	100.00%
Total Expenses	224.82	61.77%	157.79	47.76%	67.03	42.48%
Earnings before interest and tax	(41.24)	(11.33%)	5.16	1.56%	(46.40)	(898.54%)
Finance Costs	2.67	0.73%	2.53	0.76%	0.15	5.84%
Earnings before tax	(43.91)	(12.06%)	2.64	0.80%	(46.55)	(1764.19%)
Tax Expenses	(5.80)	(1.59%)	1.10	0.33%	(6.89)	(628.47%)
Net Profit (Loss)	(38.12)	(10.47%)	1.54	0.47%	(39.66)	(2572.06%)
Loss of currency translation differences	1.60	0.44%	0.80	0.24%	0.79	(98.74%)
Total comprehensive income for the year	(36.52)	(10.03%)	2.35	0.71%	(38.86)	(1657.13%)

Revenue from core operation

In 1Q25, the Company generated revenue from sales and services of THB 363.98 million, an increase of THB 33.61 million or 10.17% YoY. The increase was primarily driven by higher sales of Non-Licensed products, including classic and collection products such as Classic and Seasonal Polo Shirts, running products, running shoes, and T-shirts, supported by the T-shirt Campaign advertising activities. Furthermore, sales of Licensed products also grew, particularly other licensed product, which has continuous momentum following the Company's acquisition of production and distribution rights for the 31st Jaturamitr Football Fest in November 2025, as well as sponsoring several educational institutions.

Product groups with declining sales compared to 1Q25 included Made-to-Order products, consistent with lower sales through the Project-Based channel from government and private sector customers. National team product sales also declined due to fewer major Thailand national football tournaments compared to the previous year. Football club product sales decreased because the 76th Chula-Thammasat Traditional Football Match was postponed to the second half of 2026, whereas it had previously been held during the first quarter. Nevertheless, domestic football clubs still placed additional purchase orders, resulting in continued growth in revenue from sponsorship contracts compared to 1Q25.

In 1Q25, the Company's revenue from owned and non-owned channels accounted for approximately 69% and 31%, respectively. There are changes compared to the same period last year as follows:

Owned Channel

- Online Channel: Sales increased significantly compared to 1Q25, particularly via TikTok, due to increasing consumer preference for online shopping. The Company emphasized sales through TikTok Live, enabling more direct access to target consumers.
- Retail sales have grown due to the expansion of sales points in strategic locations and the Company's sponsorship of BURIRAM MARATHON 2026, which generated higher sales at event booths compared to the previous year.
- Shop has seen slightly decreased sales. Most company-owned shops are located in department stores and rely on mall traffic. Consumer purchases at department stores continuously declined as online platforms offered more attractive promotions. The Company is currently enhancing Visual Merchandise (VM), diversifying product assortments at each location, improving product displays and store decoration to create a better purchasing experience. The Company also continuously monitors branch performance to consider lease renewals or closure of branches that are not profitable. During 1Q26, the Company delayed new branch openings. Currently, the Company has 26 owned shops compared to 17 branches in 1Q25.
- Project-based Channel: Sales to government and private organizations decreased compared to 1Q25 due to the continued impact of economic slowdown, causing organizations to delay purchases and limit procurement budgets. The Company is currently improving its sales model to reach customers in both

Bangkok and provincial areas actively. However, project sales from walk-in customers at shops showed signs of growth, and the Company has been increasingly successful in encouraging repeat purchases from existing customers.

- Health Business: Continued to show growth from increased medical services such as height enhancement and weight control programs. Core services such as physiotherapy and personal training also recorded higher repeat usage rates.

Non-owned Channel

- Revenue from sponsorship contracts increased due to expanded support for domestic and international football clubs.
- Traditional Trade: Sales decreased because distributors had purchased substantial quantities during year-end promotional campaigns and therefore slowed purchases in 1Q26.
- Modern Trade: Sales declined due to the economic slowdown affecting consumer purchasing power, resulting in reduced purchases at department stores as consumers shifted to online platforms offering more attractive promotions. Therefore, Modern Trade is the channel for display areas in department stores, focusing on locations where the Company has not yet opened its own shops, in collaboration with Central / CRC / Robinson, while increasing exclusive product offerings.
- International sales decreased because the primary distributor, Universal Sports, was unable to achieve targeted growth. In addition, the Company closed the Premier Football store at SUNTEC CITY mall in Singapore in January 2026. Consequently, overseas revenue was generated only through distributors and online channels. Therefore, the Company plans to support distributors in developing online sales and conducting joint marketing activities to increase brand awareness, with expectations that sales will recover during 2Q26 - 3Q26.

Other Income

Other income consisted of royalty fee income, shipment income, interest income, gain on disposal of assets, foreign exchange gain, service income, and other income.

In 1Q26, the Company reported other income of THB 6.06 million, an increase of THB 1.23 million or 25.46% compared to 1Q25. This was because 1Q26 was the first quarter in which the Company recognized royalty fee income amounting to THB 2.62 million from SHANGHAI HUIZHONG TECHNOLOGY CO., LTD. ("Himaxx Outlet") for using Warrix's trademark in China. As of 31 March 2026, Himaxx Outlet distributed Warrix apparel and footwear products through 66 branches in Shanghai and surrounding cities in China, with plans to continue expanding its sales points.

Selling Expenses

In 1Q26, the Company had selling expenses of THB 163.91 million. An increase of THB 41.44 million or 33.84% YoY. An increase in selling expenses in 1Q26 was mainly due to higher variable costs aligned with revenue growth, including advertising and cost of selling product on online channel, and cost of selling product through modern trade. Moreover, the Company had rental and decoration expenses for opening new shop (26 shops in 1Q25 compared to 17 shops in 1Q25). In addition, personnel expenses for sales and warehouse employees also increased due to annual salary adjustments, additional hiring to support expanded sales points and new shop openings, as well as expansion of warehouse teams to support its warehouse management to improve operational efficiency. Currently, Warrix's warehouse has shipping capacity for an average of 10,000 orders per day (previously, the E-fulfillment service provider had shipping capacity for an average of 2,000-3,000 orders per day). The Company has fully managed its warehouse operations since 2Q25.

Administrative Expenses

In 1Q26, the Company had administrative expenses of THB 57.36 million. An increase of THB 22.03 million or 62.37% YoY. The increase was mainly attributable to higher personnel expenses resulting from increased headcount and annual salary adjustments, including salaries, bonuses, and employee benefit expenses, as well as increased overseas travel expenses. In addition, in 1Q26 the Company recognized a provision for expected credit losses (ECL) amounting to THB 9.97 million, representing an increase of THB 9.28 million compared to 1Q25, primarily relating to overseas receivables. In addition, the Company had estimated litigation expenses of THB 4.74 million.

Finance Costs

In 1Q26, the Company had finance costs in the amount of THB 2.67 million, increased by THB 0.15 million or 5.84% YoY due to an increase in interest expenses from lease liabilities regarding TFRS 16 – lease.

Net profit

The Company reported a net loss of THB 38.12 million in 1Q26, a decline of THB 39.66 million or 2,572.06% YoY. This change was due to significant sales growth from online channels, which incurred variable selling expenses along with sales. In addition, there were increased expenses from additional company-owned shops, and higher personnel expenses. At the same time, revenue from other channels was lower than anticipated, resulting in operating expenses increasing at a higher rate than sales growth. Furthermore, the recognition of the provision for diminution in value of obsolete inventory, the provision for expected credit losses (ECL), impairment loss on asset of subsidiaries, and estimated litigation expenses contributed to the operating loss.

Statement of Financial Position and Operating Performance

For the year ended December 31, 2025 and March 31, 2026

Description	Unit	31 December 2025	31 December 2024
Total Assets	THB million	1,893.99	1,915.07
Total Liabilities	THB million	522.25	506.82
Total Equity	THB million	1,371.74	1,408.26
Debt to Equity Ratio (D/E)	Times	0.38	0.36
Dividend Payout Ratio	%	-	87.28 ^{1/}
Description	Unit	31 December 2025	31 December 2024
Total Revenues	THB million	370.04	335.20
Total Expenses	THB million	413.95	332.67
Net Profit (Loss)	THB million	(38.12)	0.80
Earnings Per Share (Fully Diluted) ^{2/}	Baht/Share	(0.06)	0.00
Gross Profit Margin	%	48.77	47.86
Net Profit Margin	%	-	0.24
Return on Asset (ROA)	%	-	9.42
Return on Equity (ROE)	%	-	9.01

Remark:

^{1/} Dividend paid in 2025 totally THB 129.95 million from accumulated net income at the end of year 2024. The dividend payment is made on May 14, 2025.

^{2/} Earnings Per Share is calculated by dividing net profit by total number of shares after initial public offering (IPO) of 600,000,000 shares deducting 10,920,000 of repurchased shares.

Total Assets

Total assets as of March 31, 2026, amounting to THB 1,893.99 million, consisting of cash and cash equivalents, and fixed bank deposits, which are included in other current financial assets, totaling THB 204.08 million.

A decrease in total assets by THB 21.08 million or 1.10% YTD was mainly attributable to:

- Cash and cash equivalents decreased as working capital was utilized in operations.
- Decrease in trade and other receivables, which aligned with reduced sales in Traditional Trade and Modern Trade channels, while certain existing receivables were partially collected.
- Inventory increased due to classic and collection products, which are consistently popular and high-selling, being stocked in preparation for distribution to retailers (traditional trade). Additionally, the economic situation has led consumers to delay their purchases, resulting in sales remaining below expectations. In addition, the Company launched more new collection products and commenced importing apparel and footwear from Himaxx, its Chinese business partner. Nevertheless, during the second half of the year, the



Company plans to slow the launch of new collections and reduce purchase orders, replenishing inventory only for best-selling products with insufficient sizes or colors.

Total Liabilities

Total Liabilities as of March 31, 2026, amounting to THB 522.25 million, increased by THB 15.43 million or 3.05% YTD, primarily from higher trade and other current payables related to purchase orders according to sales plan.

Total Equity

Total Equity as of March 31, 2026, amounting to THB 1,371.77 million, decreased by THB 36.52 million or 2.59% YTD due to the Company's operating loss.

Please be informed accordingly,

Sincerely yours,

- Wisan Wanasuksrisakul -

(Mr. Wisan Wanasuksrisakul)

Chief Executive Officer

Warrix Sport Public Company Limited