



BANGKOK ASSET
INTERGROUP



Management Discussion and Analysis for the financial Quarter 1/2026

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Subject: Management Discussion and Analysis for the financial result of Quarter 1/2026

Attention: President

The Stock Exchange of Thailand

Bangkok Asset Intergroup Public Company Limited ("the Company") would like to provide a Management Discussion and analysis, for the quarter ended March 31,2026 with the following details:

Overview of Operating Results

The real estate industry in the first quarter of 2026 continued to face ongoing challenges, which affected the Company's operating performance. The Company reported total revenue of THB 172.48 million, decreasing from THB 189.83 million in the same period last year, or approximately 9%. The main factors contributing to the decline were the slowdown in market conditions, stricter residential mortgage approval criteria, and consumer purchasing power that has not yet fully recovered.

The Company recorded a net loss of THB 23.58 million, compared to a net profit of THB 3.78 million in the previous year. The weaker operating results were primarily attributable to lower gross profit margins in line with market conditions, intense price competition, and a higher proportion of selling and administrative expenses relative to revenue levels.

Nevertheless, during the period, the Company proactively adjusted its strategies to maintain liquidity and strengthen its financial position. This included efficient management of its project portfolio and assets, as well as the decision to dispose of certain assets in order to accelerate cash flow turnover and reinvest funds back into business operations (loss-mitigation strategy) in alignment with current market conditions, alongside ongoing cost control measures and operational efficiency improvements.

In addition, the Company revised its product strategy and redesigned new housing models to better align with current consumer behavior and purchasing power. The Company has focused on practical, cost-effective housing designs that meet market demand in order to enhance its competitive capabilities and support the recovery of the real estate industry in the future.

Overall Performance Analysis

For the three-month periods ended 31 March 2024–2026 key financial information is summarized as follows:

Statement Of Comprehensive Income	2026		2025		2024	
	MB	%	MB	%	MB	%
Sales and services income	172.48	99.74%	189.83	99.78%	262.05	99.74%
Cost of sales and services	-168.01	-97.41%	-168.93	-88.99%	-238.53	-91.02%
Gross profit	4.47	2.33%	20.90	10.79%	23.52	8.71%
Other income	0.44	0.26%	0.42	0.22%	0.69	0.26%
Distribution costs	-9.56	-5.54%	-4.70	-2.48%	-7.70	-2.94%
Administrative expenses	-18.23	-10.57%	-10.38	-5.47%	-14.64	-5.59%
Other (gains) losses	0.04	-0.02%	-	-	-	-
Profit(loss)from operating activities	-22.84	-13.24%	6.24	3.29%	1.87	0.71%
Finance costs	-0.78	-0.45%	-1.49	-0.78%	-1.50	-0.57%
Tax expenses	0.05	-0.03%	-0.97	-0.51%	-0.20	-0.08%
Profit (loss) for the year	-23.58	-13.72%	3.78	1.99%	0.17	0.06%

Revenue from Sales and Services

In Quarter 1/2026, the Company generated revenue from sales and services of Baht 172.48 million, representing a 9% decrease from Baht 189.83 million in the same period last year. The decline was mainly due to the economic slowdown, stricter mortgage approval criteria imposed by financial institutions, and limited consumer purchasing power, resulting in longer sales closing and ownership transfer periods. The Company recorded gross profit of Baht 4.47 million amid ongoing market challenges. The Company focused on cost management and adjusting operational processes to suit current business conditions.

The Company recognizes the uncertainty of the current economic and real estate market environment and therefore places emphasis on liquidity management, cost control, and disciplined operations to maintain financial stability and support future business operations.

Revenue by Business Segment

Revenue by business segment for the three-month periods ended 31 March 2024–2026 is detailed below:

Sales and service income by business segments	ปี 2569		ปี 2568		ปี 2567	
	MB	%	MB	%	MB	%
Agency with renovation business	108.50	62.91%	156.01	82.18%	219.73	83.85%
Agency business	0.31	0.18%	0.91	0.48%	1.97	0.75%
Reseller business	59.36	34.42%	32.91	17.34%	40.35	15.40%
Renovation business	4.31	2.50%	-	-	-	-
Total	172.48	100.00%	189.83	100.00%	262.05	100.00%

In Quarter 1/2026, the Company recorded total revenue of Baht 172.48 million, decreasing from Baht 189.83 million in 2025 and THB 262.05 million in 2024, amid the continued slowdown in the real estate market and the gradual recovery of consumer purchasing power.

The Company's revenue structure remains primarily driven by Agency with renovation business. However, its revenue contribution has continuously decreased from 83.85% in 2024, to 82.18% in 2025, and 62.91% in 2026. Meanwhile, Reseller business increased its revenue contribution from 15.40% in 2024, to 17.34% in 2025, and 34.42% in 2026. Agency business maintained a relatively small revenue contribution at 0.75%, 0.48%, and 0.18% in 2024, 2025, 2026 respectively.

In addition, the Company began recognizing revenue from Renovation Business at the end of 2025. In Quarter 1/2026, this business accounted for 2.50% of total revenue as part of the Company's business expansion and service diversification strategy.

The Company is in the process of rebalancing its revenue structure and prudently managing its business portfolio while remaining prepared to adjust its operational strategies in line with market trends and consumer behavior. The Company continues to focus on revenue diversification, liquidity management, and operational efficiency enhancement to support long-term performance stability.

Overall, the Company is also adjusting its housing design and development strategies to better align with market demand and consumer behavior, while prudently managing its asset portfolio. The Company has accelerated the disposal of certain inventories under its risk and inventory management approach in order to enhance liquidity, reduce holding costs, and improve operational efficiency to support long-term performance stability.

Cost of Sales and Services

The Company's cost of sales and services during 2024–2026 declined in line with slowing revenue levels. In 2024, the Company recorded cost of sales and services of THB 238.53 million, representing 91.02% of revenue from sales and services. This decreased to THB 168.93 million, or 88.99% of revenue, in 2025, and further declined to THB 168.01 million, or 97.41% of revenue, in 2026.

Although the overall cost of sales and services decreased in line with revenue levels, the cost-to-revenue ratio increased compared to the previous year. This reflected pricing pressure, intensified competition in the real estate market, as well as longer sales closing and ownership transfer periods amid continued challenging market conditions.

In this regard, the Company has begun implementing cost control measures and continuously improving its asset management processes, alongside adjusting its housing design and development strategies to better align with market demand and consumer behavior. The Company has focused on selective asset acquisition, renovation cost management, inventory holding period management, and sales efficiency enhancement in order to support gross margin stability, strengthen operational capabilities, enhance business flexibility, and better accommodate changing market conditions.

Gross Profit

Gross profit for the three-month periods ended 31 March 2024-2026 classified by business segment is detailed as follows:

Gross Profit by business segments	2026		2025		2024	
	MB.	%	MB.	%	MB.	%
Agency with renovation business	4.63	103.71%	15.66	74.93%	16.37	69.60%
Agency business	0.31	6.88%	0.90	4.31%	1.92	8.16%
Reseller business	0.04	0.90%	4.34	20.77%	5.23	22.24%
Renovation business	-0.51	-11.49%	-	-	-	-
Total	4.47	100.00%	20.90	100.00%	23.52	100.00%

The Company's gross profit during 2024–2026 declined in line with slowing revenue and cost pressures. In Quarter 1/2024, gross profit amounted to Baht 23.52 million, representing a gross margin of 8.71%. In Quarter 1/2025, gross profit was Baht 20.90 million, or 10.79%, while in Quarter 1/2026 gross profit significantly declined to Baht 4.47 million, or a gross margin of 2.33%.

The decline in Quarter 1/2026 gross profit reflected the slowdown in the real estate market and increased price competition. Accordingly, the Company adjusted its sales strategies and asset portfolio management to align with market conditions by focusing on prudent asset and liquidity management. The Company also adjusted selling prices of certain assets to improve competitiveness and accelerate inventory liquidation.

At the same time, the incomplete economic recovery, high household debt levels, and stricter mortgage approval standards resulted in a high mortgage rejection rate and prolonged ownership transfer processes, which pressured gross margins and operating performance during the quarter. In particular, the Agency with renovation business, which remains the Company's core revenue source, experienced a decline in gross margin to 4.27 % from 10.04% in 2025. In addition, Reseller business gross margin decreased to 0.07% from 13.19% in the previous year, reflecting limitations in maintaining profitability under challenging market conditions.

The Company has continued implementing cost control measures and operational efficiency improvements by focusing on prudent asset selection, cost management, and sales efficiency enhancement to support margin stability and improve operational performance going forward.

Management has designated gross margin stabilization as one of its key objectives for 2026 by emphasizing cost control, sales efficiency, and disciplined asset management to mitigate cost pressures and support gross margin stability when market conditions improve.

Selling and Administrative Expenses

In Quarter 1/2026, the Company recorded selling and administrative expenses of Baht 27.78 million, an increase of Baht 12.70 million or 84% compared to the same period last year. The increase was mainly attributable to expenses related to management and operations, as well as certain expenses associated with system development and operational readiness preparation during the period, resulting in a higher SG&A-to-revenue ratio compared to the previous year.

Under the uncertain economic environment and market conditions, the Company recognizes the importance of maintaining cost discipline and continuously reviewing its cost structure by controlling expenses at levels appropriate to business activity while improving operational efficiency to support financial stability and future business operations.

Net Profit (Loss)

In Quarter 1/2026, the Company reported a net loss of Baht 23.58 million, compared to a net profit of Baht 3.78 million in the same period of last year. The weaker performance was mainly due to slower revenue growth, lower gross margins, and higher selling and administrative expense ratios relative to revenue.

Under the uncertain economic and market environment, the Company will continue emphasizing financial discipline, cost control, and prudent liquidity management while closely monitoring market recovery and sales performance to support financial stability and future operations.

Financial Position

As of 31 March 2026, and 31 December 2024–2025, the Company’s financial position was as follows:

Statement of Financial Position	2569	2568	2567
	MB	MB	MB
Total Assets	211.65	239.11	243.83
Total Liabilities	53.71	57.59	130.17
Total Shareholders’ Equity	157.94	181.52	113.66

Total Assets

As of 31 March 2026, the Company’s total assets amounted to Baht 211.65 million, decreasing by Baht 27.46 million from the previous year. The key changes were as follows:

- Cash and cash equivalents decreased by Baht 22.74 million due to the use of funds for operations, working capital management, investment in assets, and expansion of certain services under the Company’s business plan.
- Inventories, construction in progress, and prepaid service costs decreased by a combined Baht 16.09 million, in line with asset portfolio management and progressive revenue recognition from Agency with renovation business and Reseller business during the period. The Company continues to prioritize prudent inventory holding period management and liquidity management amid ongoing market uncertainty.

Total Liabilities

As of 31 March 2026, total liabilities amounted to Baht 53.71 million, decreasing by Baht 3.88 million from the previous year. Main changes were due to repayment of short-term loans from unrelated parties amounting to Baht 10.00 million, partially offset by an increase in short-term borrowings from financial institutions of Baht 5.52 million to support liquidity management and business operations.

Shareholders' Equity

As of 31 March 2026, total shareholders' equity amounted to THB 157.97 million, decreasing by THB 28.58 million from the previous year, mainly due to operating losses incurred during the period. Nevertheless, the Company continues to maintain an appropriate financial position and capital structure to support business operations amid economic volatility.

Financial Ratios

Financial Ratios	As of 31 March 2026	As of 31 December 2025	As of 31 December 2024
Current Ratio	3.99	4.18	2.33
Debt-to-Equity Ratio	0.34	0.32	1.15
Book Value per Share	0.75	0.86	0.73

Business Operating Trends

For the remainder of 2026, the Company expects the real estate market to remain challenging due to gradually recovering purchasing power and continued strict mortgage approval standards. Nevertheless, the Company will continue to focus on liquidity management, prudent asset selection and asset management, sales efficiency enhancement, and ongoing cost control in order to support the Company's long-term financial stability and competitiveness.

Please be informed accordingly.

Your Sincerely

- Signature -

Mr. Pachara Tanawongkasaem

Chief Executive Officer

Person Authorized to Disclose Information