THANASIRI

14 August 2026

Subject: Management Discussion and Analysis for the Second Quarter of 2026

To: The President and Managing Director, The Stock Exchange of Thailand

Thanasiri Group Public Company Limited (the "Company") hereby submits the Management Discussion and Analysis of its operating results for the second quarter of 2026, with details as follows:

Overview of Operating Results

For the first half of 2026, the Company reported consolidated total revenues of Baht 151.6 million, a decrease of Baht 100.4 million, or 39.8%, compared with the same period of the previous year, when total revenues amounted to Baht 252.0 million. The decrease was mainly attributable to lower revenue from real estate sales.

Revenue from real estate sales decreased compared with the same period of the previous year, while revenue from services remained at a level close to that of the previous year. However, the gross profit margin remained broadly in line with the previous year, supported by the expansion of product and service offerings such as Homey Plus, which are designed to provide comprehensive residential care and services to residents.

During the second quarter of 2026, the Company focused on increasing service revenues across its projects to better address residents' living needs. The Company also implemented a strategy to accelerate sales of completed and ready-to-transfer homes through continued price reduction strategies, while increasing sales in its residential service business. In addition, the Company launched the THANA Habitat Ratchapruek – Westville project during the quarter.

Despite the decline in total revenues, the Company was able to maintain its gross profit margin at a level close to that of the previous year. The gross profit margin was 25.0%, compared with 25.4% in the same period of the previous year, reflecting continued project cost management and cost control. However, the decline in revenues resulted in lower gross profit, while administrative expenses remained relatively high. Consequently, the Company reported a net loss of Baht 24.0 million for the first half of 2026, compared with a net loss of Baht 7.9 million in the same period of the previous year.

Operating Revenues

The Company’s total revenues of Baht 151.6 million comprised the following:

<u>1. Revenue from Real Estate Sales</u>

Revenue from real estate sales amounted to Baht 114.1 million, representing 75.3% of total revenues, a decrease of Baht 101.1 million, or 47.0%, from Baht 215.2 million in the same period of the previous year.

The decrease was the main factor affecting the Company’s total revenues. The Company adopted a pricing strategy to accelerate the disposal of completed and ready-to-transfer inventory, resulting in a decrease in the average selling price per house of approximately Baht 0.7 million per unit, primarily because there were no transfers of houses in the Baht 15–20 million price range during the period.

<u>2. Revenue from Services</u>

Revenue from services amounted to Baht 34.1 million, representing 22.5% of total revenues, a slight decrease of Baht 0.5 million, or 1.2%, from Baht 34.6 million in the same period of the previous year. This indicates that service revenue remained relatively stable compared with revenue from real estate sales.

<u>3. Revenue from Product Sales</u>

Revenue from product sales amounted to Baht 3.4 million, an increase of Baht 1.2 million from Baht 2.2 million in the same period of the previous year. However, this revenue category remained relatively small compared with the Company’s total revenues.

Statement of Comprehensive Income										
Items (MB)	Consolidates financial statements					Separate financial statements				
	6-month ended June 30, 2026				increase / (decrease)	6-month ended June 30, 2026				increase / (decrease)
	2026	%	2025	%		2026	%	2025	%	
Revenues from sales of real estate	114.1	75.3%	215.2	85.4%	(101.1)	54.2	70.6%	136.2	82.9%	(82.0)
Revenue from services	34.1	22.5%	34.6	13.7%	(0.4)	22.5	29.4%	28.0	17.1%	(5.5)
Revenue from sales	3.4	2.2%	2.2	0.9%	1.2	-	-	-	-	-
Total revenue from sales and services	**151.6**	**100.0%**	**252.0**	**100.0%**	**(100.4)**	**76.7**	**100.0%**	**164.2**	**100.0%**	**(87.5)**
Cost of real estate sold	95.1	83.4%	173.7	80.7%	78.5	48.5	89.6%	114.0	83.7%	65.5
Cost of services	15.6	45.7%	12.3	35.7%	(3.3)	2.5	11.2%	5.8	20.9%	3.3
Cost of sales	3.0	87.4%	1.9	84.9%	(1.1)	-	-	-	-	-
Total cost of sales and services	**113.7**	**75.0%**	**187.9**	**74.6%**	**74.2**	**51.1**	**66.6%**	**119.9**	**73.0%**	**68.8**
Gross Profit of real estate sold	19.0	19.9%	41.6	23.9%	(22.6)	5.6	11.6%	22.2	19.4%	(16.5)
Gross Profit of services	18.5	118.6%	22.2	180.2%	(3.7)	20.0	790.8%	22.2	379.5%	(2.2)
Gross Profit of sales	0.4	14.4%	0.3	17.8%	0.1	-	-	-	-	-
Gross Profit	**37.9**	**25.0%**	**64.1**	**25.4%**	**(26.2)**	**25.6**	**33.4%**	**44.4**	**27.0%**	**(18.7)**
Other Income	0.4	0.3%	0.4	0.2%	(0.0)	0.1	0.1%	0.2	0.1%	(0.1)
Selling and distribution expenses	17.3	11.4%	19.0	7.5%	1.7	13.4	17.5%	13.1	8.0%	(0.3)
Administration expenses	51.5	34.0%	51.7	20.5%	0.3	39.7	51.7%	47.0	28.6%	7.3
Profit / (Loss) from operating activities	**(30.4)**	**(20.1%)**	**(6.2)**	**(2.5%)**	**(24.2)**	**(27.4)**	**(35.7%)**	**(15.5)**	**(9.5%)**	**(11.8)**
Financial cost	(6.9)	(4.6%)	(9.1)	(3.6%)	2.2	(6.9)	(9.0%)	(8.7)	(5.3%)	(1.8)
Finance income	3.1	2.0%	1.8	0.7%	1.2	7.1	9.2%	9.4	5.7%	(2.3)
Share of Profit / (Loss) from investment in Joi	**3.2**	**2.1%**	**3.8**	**1.5%**	**(0.6)**	**-**	**-**	**-**	**-**	**-**
Income tax revenue (Expense)	5.9	3.9%	0.3	0.1%	5.6	5.5	7.2%	1.8	1.1%	3.7
Non - controlling interests	(1.3)	(0.8%)	(1.5)	(0.6%)	0.2	-	-	-	-	-
Net profit - Owners of the Parent	**(24.0)**	**(15.8%)**	**(7.9)**	**(3.1%)**	**(16.0)**	**(21.7)**	**(28.2%)**	**(13.0)**	**(7.9%)**	**(8.7)**

Cost of Sales and Gross Profit

Total costs for the first half of 2026 amounted to Baht 113.7 million, a decrease of Baht 74.2 million, or 39.5%, from Baht 187.9 million in the same period of the previous year. The decrease in costs was broadly in line with the decline in revenue from real estate sales.

The Company recorded gross profit of Baht 37.9 million, a decrease of Baht 26.2 million from Baht 64.1 million in the same period of the previous year. Nevertheless, the gross profit margin was 25.0%, close to 25.4% in the previous year. This demonstrates that the Company continued to effectively manage project costs and maintain its gross profitability despite the slowdown in revenue during the period.

Selling and Administrative Expenses

Selling expenses amounted to Baht 17.3 million, a decrease of Baht 1.7 million, or 8.9%, from Baht 19.0 million in the same period of the previous year. This reflected the Company's efforts to manage selling and marketing expenses in line with market conditions and the level of sales activities. However, certain expenses increased due to renovation and improvement work in preparation for the establishment of juristic entities, as well as additional estimated repair and maintenance costs for projects that have been in operation for an extended period.

Administrative expenses amounted to Baht 51.5 million, broadly in line with Baht 51.7 million in the same period of the previous year. Despite the significant decline in revenues, administrative expenses remained at a similar level, resulting in a higher ratio of administrative expenses to total revenues and becoming a key factor affecting the Company's operating results during the first half of the year. The Company has continued to implement a strict cost-control policy and improve the efficiency of expense management.

As a result, the Company recorded an operating loss of Baht 30.4 million, compared with an operating loss of Baht 6.2 million in the same period of the previous year.

Finance Costs and Share of Profit from Investments

Finance costs for the first half of 2026 amounted to Baht 6.9 million, a decrease from Baht 9.1 million in the same period of the previous year, or a decrease of Baht 2.2 million. This reflected more effective management of the Company's capital structure and financing costs. The finance costs primarily comprised interest expenses related to the development of ongoing projects. In addition, the repayment of loans in accordance with the relevant agreements resulted in lower interest expenses.

The Company recognized a share of profit from investments in joint ventures and associates of Baht 3.2 million, a slight decrease from Baht 3.8 million in the same period of the previous year. This included a share of profit from the joint venture, Thanasiri Lofis (Thailand) Co., Ltd. (TLT), of Baht 4.4 million, a share of loss from Anabuki Thanasiri (Thailand) Co., Ltd. (ATT) of Baht 1.1 million, and a share of profit from Homey Wellness Co., Ltd. (HW) Of Baht 0.1 million. Nevertheless, the overall performance continued to improve.

Net Profit (Loss)

As a result of the aforementioned factors, the Company recorded a net loss of Baht 24.0 million for the first half of 2026, compared with a net loss of Baht 7.9 million in the same period of the previous year. The net loss increased by Baht 16.0 million, or approximately 202%.

The main reason for the increase in the net loss was the decline in revenue from real estate sales, which directly affected gross profit. Meanwhile, administrative expenses remained at a level close to that of the previous year, resulting in a higher operating loss, despite the decrease in finance costs compared with the previous year.

In addition, the Company recorded income tax expenses of Baht 5.9 million, an increase from Baht 0.3 million in the same period of the previous year, which was another factor affecting the net loss for the period.

Statement of Financial Position

Statements of Financial Position						
Key Indicator	Consolidated financial statements					
	as of Jun 30, 2026		as of Dec. 31, 2025		increase / (decrease)	
	MB	%	MB	%	MB	%
Total Assets	**1,354**	**100%**	**1,145**	**100%**	**209**	**18%**
Total Liabilities	**816**	**60%**	**582**	**51%**	**234**	**9%**
Total Shareholders' equity	**538**	**40%**	**563**	**49%**	**-25**	**-9%**
Total Liabilities and Shareholders' equity	**1,354**	**100%**	**1,145**	**100%**	**209**	**18%**

Total Assets

Total assets amounted to Baht 1,354 million, an increase of Baht 209 million, or 18%, from the end of 2025. The increase was mainly attributable to investment in the development of the THANA Habitat Ratchapruek – Westville project.

Total Liabilities

Total liabilities increased by Baht 234 million, mainly due to the Company receiving a Baht 100 million deposit under a land sale and purchase agreement.

Shareholders' Equity

Shareholders' equity decreased by Baht 25 million, mainly due to the Company's operating results in the second quarter, which recorded a net loss of Baht 12.4 million.

Statement of Cash Flows

STATEMENTS OF CASH FLOWS				
Key indicator	Consolidated financial statements		Separate financial statements	
	end of Mar.31, 2026 Unit : million Baht	end of Mar.31, 205 Unit : million Baht	end of Mar.31, 2026 Unit : million Baht	end of Mar.31, 205 Unit : million Baht
Net Cash Provided by (Used in) Operating activites	**-58.7**	**130.8**	**-85.0**	**72.9**
Net Cash Provided by (Used in) Investing activites	**99.8**	**5.4**	**113.1**	**29.2**
Net Cash Provided by (Used in) Financing activites	**3.6**	**-118.4**	**4.9**	**-74.8**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**44.6**	**17.8**	**33.1**	**27.3**
CASH AND EQUIVALENTS-BEGINNING OF THE PERIOD	48.9	45.3	43.4	28.9
CASH AND CASH EQUIVALENTS-END OF THE PERIOD	**93.5**	**63.1**	**76.5**	**56.2**

As of 30 June 2026, the Company had cash and cash equivalents totaling Baht 93.5 million, an increase of Baht 30.4 million compared with the same period of the previous year. The changes in cash flows from various activities were as follows:

Net cash used in operating activities amounted to Baht 58.7 million, with the major changes comprising:

- Inventories increased by approximately Baht 148.8 million, mainly due to investment in the development of the THANA Habitat Ratchapruek – Westville project and the construction of houses to support future sales and transfers, resulting in higher operating cash requirements.
- Land purchase deposits decreased by Baht 24.7 million in relation to the development of new projects by the Company.
- Trade and other receivables increased by Baht 16.0 million, mainly due to outstanding payments from joint ventures.
- Share of profit from investments in joint ventures decreased by Baht 3.1 million.

Net cash provided by investing activities amounted to Baht 99.8 million, mainly due to:

- Advance proceeds received from the sale of land amounting to Baht 100 million.

Net cash provided by financing activities amounted to Baht 3.6 million, mainly due to:

- Repayment of various short-term and long-term loans from financial institutions and other parties in accordance with the relevant agreements.
- Payment of interest on loans to financial institutions and other parties in accordance with the relevant agreements.

Please be informed accordingly.

Sincerely yours,

(Miss Wipanun Yamkhum)

Company Secretary

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