IFS Capital (Thailand)
Public Company Limited

IFS 608 / 2026 6 August 2026

Subject: Explanation of the Operating Results for the 6-month period ended 30 June 2026

To: The President
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to submit herewith the Reviewed Financial Statements for the 6-month period ended 30 June 2026 as certified by our auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and to clarify the significant variance of the operating results as follows:

(Unit: Million Baht)

	For the 6-month period ended 30 June			
	2026	**2025**	**Increase / (decrease)**	**% Change**
Revenues				
Factoring Income	148.05	146.18	1.87	1%
Hire Purchase Income	0.16	0.05	0.11	194%
Finance Lease Income	3.21	5.33	(2.13)	-40%
Factoring Commission and Service Fees	54.17	55.37	(1.20)	-2%
Other Income	22.32	23.03	(0.71)	-3%
Total Revenues	**227.91**	**229.97**	**(2.06)**	**-1%**
Finance Costs	21.67	29.55	(7.87)	-27%
Income Before Operating Expenses	**206.23**	**200.42**	**5.81**	**3%**
Expenses				
Selling Expenses	9.75	9.44	0.32	3%
Administration Expenses	61.57	59.20	2.37	4%
Management Benefit Expenses	16.50	17.32	(0.82)	-5%
Total Expenses	**87.82**	**85.96**	**1.87**	**2%**
Profit Before Impairment Loss Determined in accordance with TFRS 9 and Share of Loss of Joint Venture Accounted for Using the Equity Method	**118.41**	**114.47**	**3.94**	**3%**
Impairment Loss Determined in accordance with TFRS 9	49.19	85.04	(35.85)	-42%
Share of Loss of Joint Venture Accounted for Using the Equity Method	(0.85)	(0.60)	(0.25)	42%
Profit Before Income Tax Expenses	**68.37**	**28.83**	**39.54**	**137%**
Income Tax Expense	24.77	6.01	18.76	312%
Profit for the Periods	**43.60**	**22.82**	**20.78**	**91%**

Explanation of the Variance

For the 6-month period ended 30 June 2026 ("1H2026"), the Company recorded total revenues of THB 227.91 million, representing a slight decrease of THB 2.06 million, or 1%, compared with THB 229.97 million for the 6-month period ended 30 June 2025 ("1H2025"). Factoring income remains the Company's principal source of revenue.

Finance costs decreased significantly by THB 7.87 million, or 27%, from THB 29.55 million to THB 21.67 million, primarily attributable to lower borrowing costs.

Total operating expenses increased by 2% from the prior year, mainly due to higher staff-related costs in line with improved business performance. Impairment loss determined in accordance with TFRS 9 decreased significantly by THB 35.85 million, or 42%, from THB 85.04 million in 1H2025 to THB 49.19 million due to less NPL cases.

As a result of the lower finance costs and the significant reduction in impairment losses, profit before income tax increased substantially by THB 39.54 million, or 137%, from THB 28.83 million to THB 68.37 million. However, income tax expense increased by THB 18.76 million to THB 24.77 million mainly due to deferred tax assets written off during the period as it was not probable that tax benefit will be utilized.

Accordingly, the Company reported a net profit of THB 43.60 million for 1H2026, representing an increase of THB 20.78 million, or 91%, compared with THB 22.82 million in 1H2025.

(Unit: Million Baht)

Assets, Liabilities and Shareholders' Equity	As of 30 June 2026	As of 31 December 2025	Change	
			Amount	%
Assets	**4,338.10**	**4,195.96**	**142.14**	**3%**
Cash and cash equivalents	658.11	421.64	236.47	56%
Factoring receivables, net	3,336.61	3,407.01	(70.40)	-2%
Hire purchase and finance lease receivables, net	74.46	91.01	(16.55)	-18%
Inventory finance receivable, net	105.30	105.25	0.05	0%
Other current assets	8.69	10.51	(1.82)	-17%
Bank deposits held as collateral	0.17	0.17	0.00	-
Investment in a joint venture accounted for using the equity method	46.51	47.36	(0.85)	-2%
Investment properties	37.11	39.42	(2.31)	-6%
Plant and equipment, net	6.07	7.48	(1.41)	-19%
Right-of-use assets	5.37	3.55	1.82	51%
Intangible assets, net	0.43	0.06	0.37	N.M.
Deferred tax assets	58.86	62.11	(3.26)	-5%
Other non-current assets	0.41	0.41	0.00	-
Liabilities	**2,496.96**	**2,347.10**	**149.86**	**6%**
Short-term loans from financial institutions	2,290.00	2,090.00	200.00	10%
Current portion of long-term loans	64.00	64.00	0.00	-
Other current liabilities	67.01	82.49	(15.47)	-19%
Long-term loans	32.00	64.00	(32.00)	-50%
Employee benefits obligation	39.74	43.19	(3.45)	-8%
Other non-current liabilities	4.20	3.42	0.78	23%
Shareholders' Equity	**1,841.14**	**1,848.86**	**(7.72)**	**0%**
Issued and paid-up share capital	493.50	493.50	0.00	-
Premium on ordinary shares	31.75	31.75	0.00	-
Retained earnings – Legal reserve	49.35	49.35	0.00	-
Retained earnings – Unappropriated	1,266.54	1,274.27	(7.72)	-1%
Total Liabilities and Shareholders' Equity	**4,338.10**	**4,195.96**	**142.14**	**3%**

Asset Position

As at 30 June 2026, the Company's total assets amounted to THB 4,338.10 million, representing an increase of THB 142.14 million, or 3%, from THB 4,195.96 million as at 31 December 2025. The increase was primarily attributable to a higher cash balance, partially offset by a reduction in financing receivables.

Cash and cash equivalents increased by THB 236.47 million, or 56%, to THB 658.11 million, mainly as a result of the repayments of receivables at the end of the period, which was in line with the lower balance of receivables.

Liability Position

Total liabilities increased by THB 149.86 million, or 6%, from THB 2,347.10 million to THB 2,496.96 million as at 30 June 2026. The increase was mainly attributable to higher short-term borrowings from financial institutions, which were partially offset by a reduction in long-term borrowings and other current liabilities.

Shareholders' Equity

Shareholders' equity amounted to THB 1,841.14 million, a slight decrease of THB 7.72 million, compared with THB 1,848.86 million as at 31 December 2025. The decrease was attributable to a reduction in retained earnings following the dividend payment during the period, partially offset by the net profit generated for the 6-month period ended 30 June 2026.

Please be informed accordingly.

Sincerely yours,

-Voon Ee Huei-

(Mr. Voon Ee Huei)
Director and CEO