BANGKOK ASSET
INTERGROUP



Management Discussion and Analysis for the financial

Quarter 3/2026

บริษัท บางกอก แอสเซท อินเตอร์กรุ๊ป จำกัด (มหาชน)
Bangkok Asset Intergroup Public Company Limited
99 อาคาร ซี.พี. ทาวเวอร์ นอร์ธปาร์ค ชั้น 14 ซอยงามวงศ์วาน 47 แยก 42 แขวงทุ่งสองห้อง เขตหลักสี่
กรุงเทพมหานคร 10210 โทรศัพท์ 02-494-9187, 095-264-4465 ทะเบียนเลขที่ 0107566000674

No. BKA-SE 049/2026

Date: 16 November 2026

Subject Management Discussion and Analysis of Operating Results for the Third Quarter and the Nine-Month Period Ended 30 September 2026

To The President, The Stock Exchange of Thailand

Bangkok Asset Intergroup Public Company Limited ("the Company") would like to clarify its operating results and financial position for the third quarter and the nine-month period ended September 30, 2026, as well as key factors affecting the business and major management strategies, to provide investors with comprehensive information as follows:

Executive Summary

For the nine-month period ending September 30, 2026, the Company recorded revenue from sales and services of THB 470.80 million, an increase of THB 38.45 million or 8.89% compared to the same period last year. This growth was supported by higher revenue from the Reseller business and revenue recognition from the Renovation business, reflecting the Company's ability to generate revenue across multiple business segments amid a gradually recovering residential real estate market.

In Q3/2026, the Company generated revenue from sales and services of THB 139.21 million, a decrease of THB 19.89 million or 12.50% from Q2/2026. Gross profit stood at THB 6.06 million, representing a gross profit margin of 4.35% compared to 5.92% in the previous quarter. Net loss was THB 17.18 million, compared to a net loss of THB 16.63 million in Q2/2026. The Company disposed of certain remaining inventory assets to manage liquidity, while the recovery of gross profit margin remains a key priority for management.

Regarding operational efficiency, the Company reduced total distribution costs and administrative expenses in Q3/2026 to THB 21.63 million from THB 25.64 million in Q2/2026, representing a decrease of 15.64%. Meanwhile, operating loss narrowed from THB 15.97 million to THB 15.41 million. The Company continues to focus on cost restructuring alongside prudent asset selection, renovation cost control, and reducing asset holding periods to enhance earnings quality going forward.

Despite year-over-year revenue growth for the nine-month period, gross profit decreased to THB 19.95 million from THB 34.97 million, and net loss widened to THB 57.39 million compared to THB 15.63 million in the same period last year. This was primarily due to lower gross profit margins and increased selling and administrative expenses over the nine-month period. Management has prioritized cost management, asset selection and management, and working capital management as core operational directives.

As of September 30, 2026, the Company's current ratio stood at 2.87x and debt-to-equity (D/E) ratio at 0.56x, compared to 4.18x and 0.32x, respectively, at the end of 2025, reflecting the necessity for prudent liquidity and capital structure management. Meanwhile, finance costs for the nine-month period decreased from THB 3.20 million to THB 2.38 million, a reduction of approximately 25.63%.

Analysis of Operating Results

Operating Results for the Nine-Month Periods Ended 30 September 2025–2026 and Operating Results for Q3/2026 Compared with Q2/2026

Statement of Comprehensive Income	Q3/2026	Q2/2026	QoQ	9M/2026		9M/2025	
	MB	MB	(%)	MB	%	MB	%
Revenue from sales and services	139.21	159.10	(12.50%)	470.80	100.00	432.35	100.00
Cost of sales and services	(133.16)	(149.68)	(11.04%)	(450.85)	(95.76)	(397.38)	(91.91)
Gross profit	**6.06**	**9.42**	**(35.70%)**	**19.95**	**4.24**	**34.97**	**8.09**
Other income	0.13	0.20	(32.82%)	0.78	0.17	0.94	0.22
Distribution costs	(6.78)	(8.25)	(17.79%)	(24.59)	(5.22)	(13.81)	(3.19)
Administrative expenses	(14.85)	(17.39)	(14.61%)	(50.47)	(10.72)	(34.16)	(7.90)
Other gains	0.02	0.05	(51.31%)	0.11	0.02	0.00	0.00
Operating profit (loss)	**(15.41)**	**(15.97)**	**(3.47%)**	**(54.22)**	**(11.52)**	**(12.06)**	**(2.79)**
Finance costs	(0.89)	(0.71)	24.40%	(2.38)	(0.51)	(3.20)	(0.74)
Income tax	(0.88)	0.05	-	(0.79)	(0.17)	(0.38)	(0.09)
Profit (loss) for the period	**(17.18)**	**(16.63)**	**3.30%**	**(57.39)**	**(12.19)**	**(15.63)**	**(3.62)**

Revenue from Sales and Services

In Q3/2026, the Company recorded revenue from sales and services of THB 139.21 million. The Agency with renovation business remained the core revenue contributor, accounting for 80.81% of total revenue, followed by the Reseller business at 15.39%, the Renovation business at 3.50%, and the Agency business at 0.30%, reflecting a diversified revenue structure spanning both property trading and service businesses. Compared to Q2/2026 revenue of THB 159.10 million, Q3 revenue decreased by THB 19.89 million or 12.50%, primarily due to lower revenue from the Agency with renovation business and Renovation business, whereas the Reseller business and Agency business saw quarter-on-quarter revenue growth.

For the nine-month period, total revenue reached THB 470.80 million, an increase of 8.89% from THB 432.35 million in the same period last year. The Reseller business grew by 36.26%, and the Renovation business generated THB 14.92 million in revenue. Meanwhile, the Company is adjusting its operations to enhance profitability from these revenue streams.

Revenue by Business Segment

Business segment	Q3/2026		Q2/2026		9M/2026		9M/2025	
	MB	%	MB	%	MB	%	MB	%
Agency with renovation business	112.50	80.81	134.18	84.34	355.18	75.44	354.45	81.98
Agency business	0.41	0.30	0.20	0.12	0.92	0.20	4.67	1.08
Reseller business	21.43	15.39	18.99	11.94	99.78	21.19	73.23	16.94
Renovation business	4.87	3.50	5.74	3.61	14.92	3.17	-	-
Total	**139.21**	**100.00**	**159.10**	**100.00**	**470.80**	**100.00**	**432.35**	**100.00**

Agency with renovation business: Recorded Q3 revenue of THB 112.50 million, decreasing by THB 21.68 million or 16.16% from the prior quarter. For the nine-month period, revenue stood at THB 355.18 million, comparable to THB 354.45 million in the same period last year, remaining the Company's primary revenue base. The Company has increased rigor in asset selection and set selling prices aligned with market conditions to support margin recovery.

Reseller business: Generated Q3 revenue of THB 21.43 million, increasing by THB 2.44 million or 12.85% QoQ. Nine-month revenue reached THB 99.78 million, up THB 26.55 million or 36.26% YoY, accounting for 21.19% of total nine-month revenue. The Company aims to maintain a balance between revenue generation, pricing strategy, and per-unit profit margins.

Renovation business: Recorded Q3 revenue of THB 4.87 million, down THB 0.87 million or 15.16% QoQ, but successfully turned around to post a gross profit of THB 0.19 million compared to a gross loss of THB 0.81 million in Q2. Nine-month revenue totaled THB 14.92 million. Agency business: Posted Q3 revenue of THB 0.41 million, up from THB 0.20 million in Q2, though nine-month revenue stood at THB 0.92 million, down from THB 4.67 million in the same period last year.

Cost of Sales and Services

In Q3/2026, cost of sales and services was THB 133.16 million, decreasing from THB 149.68 million in Q2/2026 in line with lower revenue. However, cost of sales and services represented 95.65% of revenue compared to 94.08% in the previous quarter, resulting in a lower overall gross profit margin. Consequently, the Company is focusing on improving asset selection efficiency, renovation cost control, and selling price management.

For the nine-month period, cost of sales and services totaled THB 450.85 million compared to THB 397.38 million in the same period last year, representing 95.76% of revenue versus 91.91% in the prior year. Management prioritizes reducing the cost-to-revenue ratio to support gross profit margin recovery.

Gross Profit

Business segment	Q3/2026		Q2/2026		9M/2026		9M/2025	
	MB	(%)	MB	(%)	MB	(%)	MB	(%)
Agency with renovation business	4.20	3.74	7.68	5.72	16.51	4.65	24.80	7.00
Agency business	0.41	97.72	0.19	97.03	0.91	98.91	4.62	98.96
Reseller business	1.26	5.86	2.36	12.45	3.66	3.67	5.55	7.57
Renovation business	0.19	3.98	(0.81)	(14.12)	(1.13)	(7.57)	-	-
Total	**6.06**	**4.35**	**9.42**	**5.92**	**19.95**	**4.24**	**34.97**	**8.09**

Overall gross profit margin in Q3/2026 stood at 4.35%, down from 5.92% in Q2/2026. The Agency with renovation business recorded a gross margin of 3.74% (vs. 5.72% in Q2), and the Reseller business recorded 5.86% (vs. 12.45% in Q2). Meanwhile, the Renovation business demonstrated improved profitability, turning around from a gross loss of THB 0.81 million in Q2 to a gross profit of THB 0.19 million in Q3.

The Agency business achieved a Q3 gross margin of 97.72% compared to 97.03% in Q2, reflecting the nature of a service business with low direct costs. However, as its share of total revenue remains small, it could not fully offset margin pressures from the core segments. For the nine-month period ended September 30, 2026, gross profit was THB 19.95 million, decreasing by THB 15.02 million or 42.95% from THB 34.97 million in the same period last year, with gross profit margin declining from 8.09% to 4.24%. This was driven by a higher ratio of cost of sales and services to revenue despite overall revenue growth. Management is therefore focused on improving revenue quality and controlling project-level costs.

By segment for the nine-month period, the Agency with renovation business generated gross profit of THB 16.51 million (down from THB 24.80 million YoY) with a gross margin of 4.65% (vs. 7.00%). The Reseller business posted gross profit of THB 3.66 million (vs. THB 5.55 million) with a gross margin of 3.67% (vs. 7.57%). These results indicate that top-line growth alone is insufficient, requiring the Company to actively manage profit margins alongside sales volume.

The Agency business recorded nine-month gross profit of THB 0.91 million, down from THB 4.62 million YoY due to lower revenue, while maintaining a comparable gross margin of 98.91%. The Renovation business recorded a nine-month gross loss of THB 1.13 million (a negative gross margin of 7.57%); however, its return to positive gross profit in Q3 represents a milestone that the Company will build upon through strict cost and quality control. In response to margin compression, the Company is prioritizing cost management and operational efficiency by focusing on prudent property selection, standardizing designs and bills of materials (BOM), controlling renovation costs, and actively managing asset holding periods to lower costs and improve future gross margins.

Distribution Costs and Administrative Expenses

In Q3/2026, total distribution costs and administrative expenses amounted to THB 21.63 million, decreasing by THB 4.01 million or 15.64% from THB 25.64 million in Q2/2026. This comprised distribution costs of THB 6.78 million and administrative expenses of THB 14.85 million, reflecting progress in quarter-on-quarter expense control.

For the nine-month period, total distribution costs and administrative expenses stood at THB 75.06 million, increasing by THB 27.09 million or 56.47% from THB 47.97 million in the prior year. This comprised distribution costs of THB 24.59 million (vs. THB 13.81 million) and administrative expenses of THB 50.47 million (vs. THB 34.16 million). The Company is committed to maintaining expense discipline aligned with revenue levels and liquidity.

To address the nine-month expense increase, the Company has reviewed its workforce structure, streamlined operational workflows, and is evaluating the suitability of its office location to optimize overhead efficiency. Management will closely monitor the sustainability of the Q3 SG&A reductions in upcoming quarters.

Net Profit (Loss)

In Q3/2026, the Company recorded a net loss of THB 17.18 million compared to a net loss of THB 16.63 million in Q2/2026. Although operating loss narrowed from THB 15.97 million to THB 15.41 million, lower gross profit and income tax expense of THB 0.88 million—which included the reversal of deferred tax assets—resulted in a slightly wider net loss QoQ. Finance costs in Q3 stood at THB 0.89 million.

For the nine-month period, the Company posted a net loss of THB 57.39 million compared to a net loss of THB 15.63 million in the prior year, representing an increased loss of THB 41.76 million due to lower gross profit and higher selling and administrative expenses. However, finance costs decreased from THB 3.20 million to THB 2.38 million, partially mitigating the expense burden.

Management is prioritizing simultaneous gross margin enhancement and operating expense control through project-by-project asset management, renovation budget controls, fixed-cost reviews, and rolling cash flow forecasting to support operations and preserve financial flexibility amid market uncertainties.

Financial Position

Statement of Financial Position (MB)	30 Sep 2026	31 Dec 2025
Total assets	194.51	239.11
Total liabilities	70.12	57.59
Total shareholders' equity	124.39	181.52

Total Assets

As of September 30, 2026, total assets stood at THB 194.51 million, a decrease of THB 44.60 million from THB 239.11 million as of December 31, 2025. The Company is closely monitoring asset utilization and working capital in alignment with its prudent asset management policy.

Total Liabilities

As of September 30, 2026, total liabilities were THB 70.12 million, an increase of THB 12.53 million from THB 57.59 million as of December 31, 2025. The Company focuses on managing debt obligations and repayment schedules in alignment with operating cash flows.

Shareholders' Equity

As of September 30, 2026, total shareholders' equity stood at THB 124.39 million, decreasing by THB 57.13 million from THB 181.52 million as of December 31, 2025, largely due to the net loss incurred during the period. The Company aims to restore profitability and maintain financial strength going forward.

Key Financial Ratios

Financial ratios	30 Sep 2026	31 Dec 2025
Current ratio (times)	2.87	4.18
Debt-to-equity ratio (times)	0.56	0.32
Book value per share (Baht)	0.59	0.86

As of September 30, 2026, the Company's current ratio stood at 2.87, debt-to-equity ratio was 0.56, and book value per share was THB 0.59. These changes underscore the need for close working capital monitoring. Meanwhile, finance costs for the nine-month period decreased by THB 0.82 million compared to the same period last year.

Operational Improvement Plan and Progress

The Company has implemented and is actively driving key initiatives to enhance operational efficiency and financial flexibility as follows:

1. **Upgrading Design and Property Renovation Processes**

The Company is establishing a standardized design library and core material lists to shorten the design phase-which currently takes approximately 3-4 months-minimize design revisions during construction and improve cost estimation accuracy. A pre-renovation design readiness review process has also been instituted to control budgets and timelines while preserving the unique character of each home.

2. **Expense Control and Organizational Restructuring**

The Company has reviewed its workforce structure, streamlined workflows, and is evaluating the suitability of its office location to align overhead costs with business activity levels. Additionally, the Board of Directors has tasked management with preparing rolling cash flow forecasts to systematically manage liquidity risks.

3. **Performance Management of the Home Renovation Business**

The Home Renovation Business generated nine-month revenue of THB 14.92 million and turned around in Q3/2026 to achieve a gross profit of THB 0.19 million from a gross loss of THB 0.81 million in Q2, despite lower quarterly revenue. The Company is expanding customer acquisition channels, including participating in home and living trade exhibitions, while upgrading cost estimation systems and quality control. Service expansion will proceed cautiously in alignment with personnel readiness, capital availability, and profitability, with a continued focus on cost control and selective project acceptance to uphold service quality and achieve sustainable margins.

4. **Enhancing Prudence in Accounting Estimates**

The Company has reviewed its criteria and assumptions for estimating the net realizable value (NRV) of inventories by incorporating market discounts, actual net selling price data, and the specific condition of each property. Price monitoring frequency has been increased, alongside consultations with external auditors as appropriate, to ensure accounting estimates accurately reflect current market data.

5. **Liquidity and Capital Structure Management**

The Company is negotiating with financial institutions to extend the maturity of short-term financial instruments to enhance working capital flexibility, alongside accelerating sales execution and optimizing asset holding periods. The outcome of these negotiations remains subject to the consideration and terms of the financial institutions.

Business Outlook

For the final quarter of 2026, the Company anticipates that the residential real estate market will continue its gradual recovery amid constraints from purchasing power, household debt burdens, and stringent mortgage approval criteria by financial institutions. Nevertheless, the secondhand housing market continues to attract buyers seeking value for money and more accessible price points compared to newly built homes.

Furthermore, government stimulus measures-specifically the reduction of property transfer and mortgage registration fees to 0.01% until June 30, 2027, for eligible transactions (covering secondhand homes with purchase prices and appraised values not exceeding THB 7 million, mortgage amounts not exceeding THB 7 million, and Thai individual buyers), as well as the relaxation of Loan-to-Value (LTV) regulations for qualifying loans-may support buying decisions among financially ready consumers. However, loan approvals remain dependent on financial institutions' lending criteria and borrowers' debt-service capacity.

The Company aims to capitalize on opportunities in the secondhand housing and renovation business markets by offering value-for-money properties tailored to customer needs, paired with prudent asset selection, standardized designs and material lists for cost control, enhanced sales and transfer efficiency, strict SG&A control, and close management of liquidity and working capital. Management will continuously monitor performance and adapt strategies to market conditions, though it cannot guarantee the timeline or magnitude of an earnings recovery.

Key Factors Under Close Monitoring

1. Purchasing Power and Mortgage Lending Strictness: Potential delays in customer purchasing decisions or postponements of ownership transfer due to tight credit approvals.
2. Effectiveness of Fee Reductions and LTV Relaxation: The actual impact of government stimulus measures on closing sales, noting that these measures do not guarantee mortgage approval for buyers.
3. Price Competition and Market Inventory Liquidation: Competitive pricing pressures and ongoing inventory clearance across the market, which could weigh on the Company's gross profit margins.
4. Design, Renovation, and Flood Risks: Potential timeline risks in property design and renovation, as well as localized flooding impacts that could delay project handovers and revenue recognition.
5. Liquidity, Working Capital, and Holding Period Management: Maintaining alignment between asset holding periods, working capital, operating costs, and financial obligations.

Please be informed accordingly.

Yours sincerely,

- Signature -

(Mr. Pachara Tanawongkasaem)

Chief Executive Officer

Authorized Person to Disclose Information