AC.86/2025 November 13th, 2025

Dear President,
The Stock Exchange of Thailand

SGF Capital Public Company Limited would like to submit the management discussion and analysis report as of September 30th, 2025.

Overview of Operating Performance: In the third quarter of 2025, the Company continued to pursue its strategy with prudence and a strong focus on maintaining the quality of its loan portfolio. Emphasis was placed on rigorous screening and approval processes for new lending to preserve portfolio stability and credit quality. As a result, the total outstanding loan portfolio stood at THB 1,576.2 million at the end of the quarter, reflecting disciplined and sustainable growth. Total revenue was THB 93.9 million, in line with the Company's strategic direction that prioritizes loan quality over volume, thereby establishing a solid foundation for future expansion.

The Company demonstrated outstanding cost management capabilities, achieving a 60.9% reduction in financial costs through the repayment of debentures and loans, while also lowering operating expenses by 16.8% and reducing expected credit loss expenses by 38.9%. These improvements reflect the Company's efficiency and the strength of its systematic and continuous cost management practices. In this quarter, the Company recognized income tax expenses of THB 1.5 million due to an increase in income tax liabilities, resulting in a reported net loss of THB 14.1 million. This impact is temporary and purely accounting in nature, with no effect on the Company's cash flow. Overall, the Company's financial position remains solid, with sufficient liquidity to support ongoing operations.

In terms of asset quality management, amid a slowdown in the auto and motorcycle loan markets, the Company continued to implement a prudent and disciplined approach in screening and approving new customers to further strengthen the quality of its loan portfolio. As a result, newly originated loans have consistently demonstrated improved credit quality. Although the overall loan portfolio size has decreased in line with the Company's risk management strategy, the non-performing loan (NPL) ratio remains at a manageable and well-controlled level. This reflects the Company's firm commitment to maintaining portfolio stability and long-term credit quality.

Financial Position and Liquidity as of September 30, 2025: the Company maintained a strong financial position, with total liabilities decreasing by 6.0%, reflecting continued efficiency in debt management. The net debt-to-equity ratio stood at a low level of 0.30, indicating healthy liquidity, a solid capital structure, and the Company's ability to sustain its business operations without any default events.

Q3/2025 Executive Summary: Statements of Comprehensive Income for 3 months period

Revenues

Unit : Thousand Baht	Q3-2025	Q3-2024	change	change %
Retail interest income (Hire purchase, Leasing and Car for cash)	74,296.1	101,647.4	(27,351.3)	-26.9%
Loans interest income	7,232.7	8,668.9	(1,436.2)	-16.6%
Other interest income	602.7	515.1	87.6	17.0%
Total interest income	82,131.5	110,831.4	(28,699.9)	-25.9%
Fee and services income	2,954.9	2,734.7	220.2	8.1%
Other income	8,840.2	3,155.7	5,684.5	180.1%
Total revenues	93,926.6	116,721.9	(22,795.3)	-19.5%

As of the end of Q3/2025, (September 30th, 2025), the company had total revenues of 93.9 million baht, down from 116.7 million baht in the third quarter of 2024, representing a decline of 19.5%, or increase 0.8 million baht from the second quarter of 2025, representing an increase of 0.9%QoQ with details as follows:

1. Revenue from Hire Purchase Loans, Leasing Loans, and Title Loans, totaled 74.3 million baht in interest income a 26.9% decrease. This decline was primarily due to a more stringent approach to new credit approvals, resulting in a reduction of the loan portfolio.
2. Revenue from SME Loans amounted to 7.2 million baht, a decrease of 16.6%, due mainly to an increase in provision for expected credit losses.
3. Fee and service income amounted to THB 2.9 million, representing an increase of 8.1%, primarily due to higher collections of service fees from overdue customers and other related services.

Operating cost

As of the end of Q3/2025 (September 30th, 2025), the company's administrative expenses were 42.8 million baht, down from 49.2 million baht in Q3/2024, representing a 8.6 million baht or 16.8% decline. This was driven by the Company's policy to control expenses and manage the number of employees and branches in line with current market conditions.

Expected Credit Losses According to New Accounting Standards (TFRS9)

As of the end of Q3/2025 (September 30th, 2025), the company recorded the expected credit losses amounted to 55.2 million baht, a decrease of 35.1 million baht from Q3/2024 which was 90.3 million baht or -38.9%YoY, down 5.1 million baht from Q2/2025, or -8.5%QoQ. This ECL provision comprised with a provision for expected credit loss on car and motorcycle retail loans 11.3 million baht and legacy loan portfolios of 5.1 million baht, a loss on the sale of seized automobiles amounting to 10.8 million baht, bad debt write-offs totaling 50.5 million baht.

Financial cost

As of the end of Q3/2025 (September 30th, 2025), the Company incurred finance costs totaling 8.5 million baht, representing a significant decrease of 60.9% from 21.8 million in Q3/2024. This reduction was primarily driven by a decline in outstanding debentures and borrowings from financial institutions.

Income tax expenses

As of the end of Q3/2025 (September 30th, 2025), the Company recorded income tax expenses of 1.5 million baht, primarily due to the increase in deferred tax liabilities.

Net profit/loss

As of the end of Q3/2025 (September 30th, 2025), the Company had a loss from operations before tax of 12.6 million baht, which was better than 34.2 million baht in Q3/2024, or 73.1%. After deducting 1.5 million baht in income tax, the Company reported a net loss of 14.1 million baht, 38.7 million baht less than in Q3/2024 due to cost constraints and a decrease in ECL allowance.

3Q/2025 Executive Summary: Statement of Comprehensive Income 9 months

- 3Q/2025, the Company has a total revenue of 284.8 million baht, a fall of 87.4 million baht from 3Q/2024 at 23.5% which is equivalent to 372.1 million baht. This decline was primarily due to a more stringent approach to new credit approvals, resulting in a reduction of the loan portfolio.

- SG&A reduced by 12.1% to 137.6 million baht from 156.6 million baht in 3Q/2024, owing to expense management measures and reduction in headcount.

- The Company recorded an expected credit loss (ECL) under the Accounting Standard (TFRS9) of 173.6 million baht, a decrease from 3Q/2024 which equals 256.5 million baht or a decrease of 32.3% This was mainly due to a decrease in losses from the sale of repossessed vehicles and bad debt write off.

- Finance costs amounted to 34.0 million baht, a decrease from 70.4 million baht in 3Q/2024, representing a reduction of 51.7%, due to lower debt obligations.

- The Company reported a loss before income tax of 60.5 million, smaller than 50.9 million baht in 3Q/2024, signifying a 45.7% decline. However, after deducting 58.2 million baht in income tax, the Company posted a net loss of 118.7 million baht, compared to 3Q/2024 which had a net loss of 112.3 million baht, a 6.4 million baht rise from the income tax record.

Analysis of financial position

Unit : Million Baht	Q3/2025	%Asset	Q2/2025	%Asset	Q4/2024	%Asset
Cash and equivalents	214.4	11.3%	117.0	6.0%	141.5	6.4%
Receivables	1,576.2	82.9%	1,691.8	87.0%	1,949.6	87.7%
Hire purchase, Leasing and Car for cash receivables	*1,294.4*	*68.1%*	*1,415.3*	*72.8%*	*1,683.5*	*75.7%*
Mortgaged loan receivables	*7.5*	*0.4%*	*7.4*	*0.4%*	*5.4*	*0.2%*
Personal loans receivables	*5.9*	*0.3%*	*0.6*	*0.0%*	*0.6*	*0.0%*
Factoring receivables	*-*	*0.0%*	*2.0*	*0.1%*	*-*	*0.0%*
Loans receivables	*268.5*	*14.1%*	*266.5*	*13.7%*	*260.0*	*11.7%*
Property, plant and equipment	18.8	1.0%	15.1	0.8%	21.4	1.0%
Deferred tax asset	-	0.0%	-	0.0%	18.9	0.8%
Other assets	92.1	4.8%	120.2	6.2%	91.3	4.1%
Total assets	1,901.5		1,944.0		2,222.7	
Total Liabilities	441.7	23.2%	470.0	24.2%	644.1	29.0%
Total equity	1,459.8	76.8%	1,474.0	75.8%	1,578.6	71.0%

Assets

Cash and equivalents

As of September 30th, 2025, the company's cash and equivalents items were 214.4 million baht, up 97.4 million baht from Q2/2025 due to the collection collecting while remaining stringent in screening new credit.

Hire Purchase, Leasing, and Title Loan (Car for Cash Loan) Receivables

As of September 30th, 2025, the Company reported total receivables from hire purchase loans, leasing loans, and title loans of 1,294.4 million baht, representing a decrease of 120.9 million baht or -8.5%QoQ. The decline was primarily due to the Company's more stringent policy on new loan approvals.

Land Loan Receivables

As of September 30th, 2025, the Company recorded land loan receivables of 7.4 million baht, representing an increase of 0.1 million baht from Q2/2025.

Personal Loan Receivables

As of September 30th, 2025, the Company recorded personal loan receivables of 5.8 million baht, representing an increase of 5.2 million baht from Q2/2025 or 840.2%QoQ, due to more new loans.

Loan Receivables (SME Loan)

As of September 30th, 2025, the company has outstanding SME Loan receivables amounting to 268.4 million baht, an increase of 2.0 million baht from Q2/2025, due to revenue recognition in accordance with IFRS9.

Credit Quality of Hire Purchase, Leasing, and Title Loan (Car for Cash Loan) Receivables

As of September 30th, 2025, the Company had hire purchase, leasing, and title loan receivables overdue by more than three installments (over 3 months) totaling 196.3 million baht, a decrease of 40.2 million baht compared to 236.6 million baht at the end of 2024. Although the amount of delinquent receivables over 3 months has declined, the total loan portfolio also decreased. As a result, the Non-Performing Loan (NPL) ratio

stood at 13.72% of total net receivables in these categories. The Company has recorded an expected credit loss (ECL) provision of 136.0 million baht, representing 9.5% of the total outstanding hire purchase, leasing, and title loan receivables.

Liabilities

As of September 30th, 2025, the Company reported total liabilities of 441.7 million baht, a decrease of 202.4 million baht or 31.4% from the end of 2024. This decline was primarily due to debt repayments. Total liabilities consist mainly of debentures and loans from financial institutions. The Company remains in full compliance with its debt obligations and continues to service its debts as scheduled. As of the reporting date, the debt-to-equity ratio (D/E Ratio) stood at 0.30 times.

Shareholders' Equity

As of September 30th, 2025, the Company reported shareholders' equity of 1,459.8 million, representing a decrease of 118.7 million from the end of 2024. The decline was primarily attributable to the Company's net loss for the period.

Please acknowledge the above matters.
Sincerely yours,

Mr. Kannanat Boonsunanondha
Chief Executive Officer