TSR.IR. 016/2026

14 May 2026

Subject: Management Discussion & Analysis for the the 1st quarter of Y2026 (Revised in accordance with the SEC's comments)

To: President

The Stock Exchange of Thailand

TSR Living Solution Public Company Limited ("Company") and its subsidiaries ("Group of Companies") hereby provide a summary of the operational results for the three-month period ended 31 March 2026, as reviewed by the Certified Public Accountant. The details are as follows:

Summary Q1/2026 of Operating Performance

Revenue

For the three-month ended 31 March 2026, TSR group of companies generated total revenue of 202.35 million Baht. This marks a decrease of 24.19 million Baht or 10.68% from the same period of previous year. The detailed breakdown of the revenue is as follows:

- The revenue from sales for the Q1/2026 amounted to 167.39 million Baht, showing a decrease of 10.89 million Baht or 6.11% from the same period of previous year. The decline was primarily attributable to the overall economic slowdown, coupled with rising oil prices, which led consumers as well as investors in coin-operated vending machine products to delay spending and investment decisions.
- The interest income for the Q1/2026 was 26.20 million Baht, a decrease of 18.44 million Baht or 41.31% from the same period of previous year. The decline was mainly attributable to a reduction in hire-purchase receivables and loan receivables, which consequently led to lower interest income.

Cost of Goods Sold

The Cost of Goods Sold for TSR group of companies for the Q1/2026, amounted to 68.49 million Baht. This represents an increase of 7.03 million Baht or 11.43% from the same period of previous year. The cost of goods sold as a percentage of sales revenue increase from 34.48% in the corresponding period of the previous year to 40.92%. This increase was mainly attributable to higher sales of coin-operated vending machines products, which carry a higher cost ratio compared to the water purifier product group.

Selling expenses

The selling expenses for TSR group of companies for the Q1/2026 amounted to 69.88 million Baht, decreasing from the same period of previous year's figure of 5.42 million Baht, representing a percentage decrease of 7.20%. This reduction was driven by lower sales volumes and improved expense management, including measures such as transitioning to electric vehicles (EVs) in place of fuel-powered vehicles.

Administrative expenses

Administrative expenses of the Group for Q1/2026 amounted to THB 70.53 million, representing an increase of THB 5.65 million, or 8.70%, compared to the same period of the previous year. The increase was primarily attributable to an additional allowance for impairment of assets held for sale (truck group).

Expected Credit Loss

For the Q1/2026, TSR group of companies incurred an expected credit loss of 39.62 million Baht, a decrease from the same period of previous year of 34.71 million Baht, representing a decrease of 46.70%. The improvement was driven by enhanced sales efficiency, process adjustments in debt collection, and the engagement of professional debt collection service providers.

Net Loss

For the Q1/2026, TSR group of companies reported a net loss of 73.99 million Baht (compared to a net loss of 75.26 million Baht in Q1/2025), as explained by the reasons mentioned earlier. However, the Company had losses on other comprehensive income for Q1/2026 and Q1/2025 amounting to 75.14 million baht and 86.01 million baht, respectively.

Financial Position

Asset

As of 31 March 2026, TSR group of companies reported total assets amounting to 1,735.86 million Baht, reflecting a decrease of 60.22 million Baht or 3.35% compared to 31 December 2025. This substantial growth in assets can be attributed to the following key factors:

- Cash and cash equivalents decreased by THB 12.57 million, mainly due to loan repayments and a decline in sales revenue.
- Hire-purchase receivables decreased by THB 4.34 million as a result of lower sales, together with an increase in the proportion of cash sales driven by the expansion of the B2SME segment.
- Assets held for sale decreased by THB 10.74 million due to disposals made during the period, as well as additional allowances for impairment adjustments.

- Property, plant and equipment decreased by THB 17.09 million, mainly due to depreciation recorded during the period and the disposal of certain unused equipment.

Liabilities

As of 31 March 2026, TSR group of companies reported total liabilities of 1,983.11 million Baht, a increase of 14.92 million Baht from 31 December 2025. The Group has recorded loans from the former major shareholder (SABUY, currently known as WSOL), including principal and accrued interest, totaling THB 1,020.74 million. Such borrowings are currently subject to a counterclaim lawsuit, with witness hearings scheduled for October 2026. For the outstanding debt with financial institutions, amounting to THB 393.85 million, the Company has engaged in negotiations and has already obtained an agreement for a principal repayment holiday.

The shareholder's equity

As of 31 March 2026, TSR group of companies had total capital deficiency of 247.25 million Baht, compared to capital deficiency of 172.11 million Baht as of 31 December 2025. This represents a decrease of 75.14 million Baht or a reduction of 43.66%, mainly due to the net loss incurred from the business operations during the period. However, the company is in process of negotiating additional funding sources to support future business expansion.

Events after the reporting period

Additional Note 32.2, On 22 July 2026, the Group received an order from the Securities and Exchange Commission requiring the Group to revise its interim financial information for the first quarter ended March 31, 2026, as the Group was unable to perform a physical verification of its vending machines, which are included in property, plant and equipment. However, the Group has already completed the physical verification of the vending machines during September 2026, including adjusted up to date the effect from those physical verification by recognizing an impairment loss on asset of Baht 4.51 million in the interim financial information for the third quarter ended September 30, 2026.

This information is provided for your reference regarding the company's financial performance and position.

Kindly be informed.

Your truly,

-Arthittaya Chanaroon-

(Ms.Arthittaya Chanaroon)

Vice President – Account and Finance