10 August 2026

LIT 2026/020

To The President of the Stock Exchange of Thailand

Topic Management Discussion & Analysis for period ended 30 June 2026

Lease IT Public Company Limited would like to clarify the financial performance for the period ending on 30 June, 2026. as follows:

Nature of Business

Lease IT continues to focus on providing integrated financial services for SMEs that primarily partner with government agencies, state enterprises, and large private corporations. As a non-bank financial institution, the company serves as an alternative funding source, creating opportunities for Thai SMEs to access business capital. We offer financial products that cater to SME needs from project start to finish with speed and deep understanding of entrepreneurs, including: (1) Factoring, (2) Project Backup Financing, (3) Term Loans, (4) Bid Bond and E-Bidding Financing, (5) Leasing and Hire Purchase, and (6) Supply Chain Finance, along with other supporting services.

The Company is committed to supporting Thai SMEs in accessing capital fairly and transparently, fostering sustainable growth together under the "True Financial Partner" concept. We provide Business Growth Advisors to offer expert financial consultation, empowering entrepreneurs to achieve stable and successful growth. Furthermore, Lease IT operates an installment sales business via an online platform through its subsidiary, Ulite Digital Co., Ltd. This expands our target customer base to the general public, particularly the younger generation looking to purchase IT and lifestyle products through a mobile application, in alignment with current Financial Technology trends.

Management Outlook and Key Performance Summary: Q2/2026

The Company's operating performance continues to show a positive growth trend. In the first half of 2026, the Company recorded total revenue of Baht 99.6 million, representing a 17.8% growth compared to the same period last year. This growth was driven by rising credit demand from SMEs that partner with the government sector—our primary target group. Consequently, the Company's total loan portfolio for the period reached Baht 1,441 million, a 2% increase compared to the end of 2025. Regarding net profit, the Company recorded a net profit of Baht 3 million, representing a 50.4% decrease compared to the same period last year.

This was mainly due to a decline in fees and service income and an increase in provisions, as the economic downturn had a slight impact on certain customer segments. Nevertheless, the Company remains committed to growing its loan portfolio while maintaining rigorous quality screening under appropriate risk levels. The NPL Ratio for new loans in 2026 is being kept within a target of no more than 3% of new credit. This achievement stems from the commitment to maintaining debt quality, which serves as the essential foundation for sustainable growth.

Economic Outlook and Factors Affecting Operations

In the second quarter of 2026, the Thai economy continued to face uncertainty from external factors, including global oil price volatility and international trade tensions. These factors, along with their impact on Thai SMEs, could potentially affect asset quality and Non-Performing Loans (NPLs). Consequently, the Company has implemented more stringent debtor screening processes and diversified its loan portfolio across various industries to reduce risk concentration.

However, government investment stimulus measures have indirectly boosted credit demand among SMEs that partner with the public sector, which is the Company's primary target group. Additionally, the continued growth of the Fintech trend in Thailand remains a positive factor contributing to the overall operating results.

Strategy and Business Direction for 2026

Lease IT continues to focus on quality loan portfolio expansion by emphasizing a balance between risk management and the pursuit of business opportunities, as follows:

1. **Building a Quality SME Loan Portfolio**: The Company employs a strategy to expand its base of high-quality SME customers, primarily focusing on credit for government contractors. This is achieved through low-risk financial products, mainly Factoring, to meet the needs of government partners requiring working capital for various public projects without waiting for long disbursement periods. Additionally, the Company emphasizes short-term credit to align with the rapidly changing economic climate, such as Project Backup Financing, which provides capital for purchasing goods or raw materials for project execution. Furthermore, the Company aims to establish "Lease IT" as a Top of Mind brand for SME customers through various social media channels and by elevating service processes to enhance the customer experience.

2. **Risk Management Aligned with the Current Economy**: The Company has established clear risk policy frameworks and debt-repayment capability assessment criteria that remain current with economic conditions to prevent non-performing loans. Moreover, the Company manages its loan portfolio by diversifying across various industries to mitigate potential losses should any specific sector be adversely affected.

3. **Expansion of Hire Purchase Installment Portfolio via Subsidiary:** In 2026, the Company is focusing on expanding its target customer base to individuals, particularly the younger generation seeking installments for technology products and smartphones via online platforms and partner branches nationwide. In the first half of 2026, Ulite Digital Co., Ltd. recorded revenue of Baht 31.6 million, a 6.7% growth compared to the same period last year. There are ongoing plans to develop new financial products and improve approval efficiency to support continuous customer base growth.

Financial Performance for period ended 30 June 2026

(Unit: Thousand Baht)	Statement of comprehensive income for the period ended 30 June					
	3 months			6 months		
	2026	2025	%Change	2026	2025	%Change
Interest Income	36,346	27,500	32.2%	72,933	54,891	32.9%
Fees and service incomes	11,111	13,314	(16.5%)	23,390	26,259	(10.9%)
Other income	1,657	1,579	4.9%	3,267	3,426	(4.6%)
Total revenues	**49,114**	**42,393**	**15.9%**	**99,590**	**84,576**	**17.8%**
Service expense	7,663	6,901	11.0%	15,098	13,637	10.7%
Administrative expense	18,761	18,009	4.2%	38,785	37,070	4.6%
Expected credit losses	14,802	6,235	137.4%	21,756	10,661	104.1%
Total expenses	**41,226**	**31,145**	**32.4%**	**75,639**	**61,368**	**23.3%**
Operating Profit(Loss) before finance cost and tax	7,888	11,248	(29.9%)	23,951	23,208	3.2%
Finance cost	(9,675)	(7,945)	21.8%	(19,351)	(15,901)	21.7%
Profit (Loss) before income tax expenses	**(1,787)**	**3,303**	**(154.1%)**	**4,600**	**7,307**	**(37.0%)**
Income tax expenses	(696)	(421)	65.3%	(1,573)	(1,206)	30.4%
Profit(Loss) for the period	**(2,483)**	**2,882**	**(186.2%)**	**3,027**	**6,101**	**(50.4%)**

1. Revenue

The Company's total revenue for the first half of 2026 amounted to Baht 99.6 million, an increase of Baht 15 million or 17.8%, compared to the same period last year. This growth was driven by an increase in interest income resulting from the maintenance of the loan portfolio size, supported by the continuously increasing credit demand from SMEs, as well as the growth in installment sales in response to higher market demand.

Interest Revenue

Interest Income (Unit: Thousand Baht)	Consolidate Financial Statements				Change	
	2026	%	2025	%	Amount	%
- Installment account receivables	28,556	39.2%	16,971	30.9%	11,585	68.3%
- Loan contracts	10,316	14.1%	10,709	19.5%	(393)	(3.7%)
- Factoring contracts	25,149	34.5%	23,127	42.1%	2,022	8.7%
- Finance lease contracts	582	0.8%	499	0.9%	83	16.6%
- Hire-purchase contracts	288	0.4%	0	0.0%	288	100.0%
- Long-term loan contracts	8,039	11.0%	3,576	6.5%	4,463	124.8%
- Trade and other current receivables	3	0.0%	9	0.0%	(6)	(66.7%)
Total	**72,933**	**100.0%**	**54,891**	**100.0%**	**18,042**	**32.9%**

In the first half of 2026, the Company's interest income increased by Baht 18 million, or 32.9% compared to the same period last year. This growth was driven by the expansion of the loan portfolio, particularly from installment sales via the ULITE application operated by Ulite Digital Co., Ltd. (a subsidiary). Revenue from this segment rose by Baht 11.6 million, or 68.3% year-on-year, following the growing demand among the younger generation for IT and lifestyle products.

Additionally, SME customers partnering with the government sector continued to require credit to bolster liquidity amid economic volatility. As a result, interest income from Factoring contracts increased by Baht 2 million, or 8.7%, while income from Long-term loans increased by Baht 4.5 million, or 124.8%, compared to the same period last year, driven by the expansion of the loan portfolio. Consequently, the loan portfolio expanded, and interest income increased accordingly.

Fee and service incomes

Fees and service incomes (Unit: Thousand Baht)	Consolidate Financial Statements				Change	
	2026	%	2025	%	Amount	%
- Loan contracts	7,809	33.4%	8,404	32.0%	(595)	(7.1%)
- Factoring contracts	15,236	65.1%	16,328	62.2%	(1,092)	(6.7%)
- Finance lease contracts	5	0.0%	8	0.0%	(3)	(37.5%)
- Long-term loan contracts	114	0.5%	988	3.8%	(874)	(88.5%)
- Letter of guarantees	85	0.4%	399	1.5%	(314)	(78.7%)
- Others	141	0.6%	132	0.5%	9	6.8%
Total	**23,390**	**100.0%**	**26,259**	**100.0%**	**(2,869)**	**(10.9%)**

Fee and Service income, which was mainly derived from Factoring and Loan contracts, decreased by Baht 2.9 million, or 10.9%, in the first half of 2026 compared to the same period last year. The decline was due to a decrease in new trade transactions and contracts, resulting from the geopolitical conflict that drove up costs and slowed trade activity in line with overall economic conditions.

2. Expected Credit Loss

In the first half of 2026, the Company recorded an expected credit loss (ECL) of Baht 21.8 million, an increase of Baht 11.1 million from the same period last year. The Company assessed the provisioning in accordance with Thai Financial Reporting Standard 9 (TFRS 9), to ensure that the provisioning is consistent with customer quality and risk, as well as prevailing circumstances at each point in time. The increase in provisioning during this period resulted from a decline in debtor quality, driven by a reduced ability to repay debt amid the economic downturn caused by the geopolitical conflict.

The Company remains committed to its policy of expanding the loan portfolio with quality and sustainability, ensuring credit risk considerations are stringent, cautious, and aligned with the current economic situation. Furthermore, the Company prioritizes the management of NPLs through proactive debt tracking and collection. This is achieved by enhancing the efficiency of the internal collection team and engaging external legal firms to effectively control and reduce the NPL ratio to appropriate levels.

3. Service Expense

Service expenses increased by Baht 1.5 million, or 10.7%, compared to the same period last year, in line with revenue growth. This was mainly driven by higher employee expenses, application operating expenses, and marketing expenses, in support of business growth and improved operational efficiency.

4. Finance Cost

In the first half of 2026, the Company's financial costs increased by Baht 3.5 million, or 21.7%, compared to the same period last year. This increase was in line with the rise in total borrowings, primarily from debentures, resulting from the expansion of the loan portfolio.

5. Net Profit

The Company recorded a net profit of Baht 3 million for the first half of 2026, a decrease of Baht 3.1 million from the same period last year. This was mainly due to a decline in the credit quality of certain customer groups, resulting in an increase in expected credit loss provisions under Thai Financial Reporting Standard 9 (TFRS 9). Nevertheless, the Company continued to record revenue growth, driven by the expansion of the loan portfolio and product restructuring in line with its business strategy. This growth supported the Company's ability to maintain profitability and record a net profit in the first half of 2026.

Liquidity and Cash Flow

The Company had net cash from operating activities of Baht 26.3 million, in line with growth in interest income and the maintenance of the loan portfolio size. This reflects the Company's ability to consistently generate cash flow from its business operations and manage liquidity efficiently.

The Company's liquidity ratio as of the end of the second quarter of 2026 and the end of 2025 was 6.3 times and 8.3 times, respectively. The decrease was due to an increase in trade payables, in line with the growth in trade volume resulting from business expansion. Nevertheless, the Company continues to maintain a sufficient level of liquidity to support its business operations.

Financial position of the Company as of 30 June 2026 in comparison with that as of 31 December 2025.

Assets

Total assets as of the second quarter of 2026 amounted to Baht 1,121 million, an increase of approximately Baht 30.4 million from the end of 2025. This increase was primarily driven by higher cash and cash equivalents, resulting from the Company's net cash flow from operating activities.

Liabilities

Total liabilities as of the second quarter of 2026 increased by approximately Baht 27.4 million compared to the end of 2025, driven by an increase in trade payables in line with the growth in trade volume and business operations during the period. The Company continues to manage its working capital in line with business growth to ensure a sufficient level for its operations.

The interest-bearing debt to equity ratio as of the second quarter of 2026 and the end of 2025 stood at 0.84 times and 0.83 times, respectively, representing a slight increase. Nevertheless, the ratio remains at a low level due to a strong capital structure and effective funding management aligned with credit granting to ensure efficient cash flow management.

The interest coverage ratio (ICR) as of the second quarter of 2026 and the end of 2025 was 1.5 times and 1.7 times, respectively, reflecting the improving trend in the Company's operating performance. The Company continues to focus on cash flow management to further balance liquidity, ensuring stability and confidence for all stakeholders.

Equity

Shareholders' equity increased by Baht 3 million from the end of 2025, mainly from the net profit during the six-month period.

Please be informed accordingly.

Best regards,

(Ms.Sitaphatr Nirojthanarat)

Chief Executive Officer

Lease IT Public Company Limited