

10 November 2025

LIT 2025/041

To The President of the Stock Exchange of Thailand

Topic Management Discussion & Analysis for period ended 30 September 2025

Lease IT Public Company Limited would like to clarify the financial performance for the period ending on September 30, 2025, as follows:

In 2025, "Lease IT" focuses on providing comprehensive financing services for SMEs (Small and Medium Enterprises) that partner with government agencies, state-owned enterprises, and large private companies. The Company acts as an alternative non-bank funding source that creates opportunities for Thai SMEs to access capital for business operations. Lease IT offers a range of financial products to meet the needs of SMEs from the start to the end of their projects with speed and understanding of the business operators, including: (1) Factoring services (purchasing accounts receivable), (2) Project Backup Financing, (3) Term Loans, (4) Bid Bond & E-Bidding loans, (5) Leasing & Hire Purchase, and (6) Supply Chain Finance for increasing working capital for partners, along with other supplementary services.

The Company is committed to supporting Thai SMEs to access capital in a fair and transparent manner and to grow sustainably together under the concept of "True Financial Partner." Additionally, experts serve as Business Growth Advisors to provide financial consultation and help entrepreneurs grow and succeed in a stable manner. Furthermore, Lease IT has a subsidiary that operates an installment-based product sales business via an online platform, expanding its customer base to the younger generation who wish to purchase IT products and lifestyle goods with installment payments.

Overview

As of the end of the third quarter of 2025, the company's total revenue grew by 58% compared to the same period last year. This was a result of the increased demand for credit from SMEs who are government contractors, the core target customers, due to the continuous phased disbursement of the 2025 budget throughout the fiscal year. However, as of the end of the third quarter of 2025, the company's total loan portfolio decreased by 9% compared to the previous year. This was a result of the waiting period for the government transition and the waiting period for the disbursement of the 2026 budget, which will commence on October 1, 2026. This was compounded by the impact of a 69 million Baht bad debt write-off according to the Revenue Code during the period. The company anticipates that the loan portfolio will increase in the fourth quarter driven by the phased disbursement of the 2026 budget. Furthermore, the company continues to focus on generating loan portfolio growth alongside quality screening under appropriate risk management, maintaining the NPL Ratio for new loans in 2025 within a threshold of not exceeding 3%, which is a result of preserving debtor quality, a crucial foundation for sustainable growth.

Strategies and directions

In 2025, Lease IT's strategy and operational direction focus on expanding its loan portfolio with quality, emphasizing a balance between risk management in the cautious economic environment and seizing business opportunities to create sustainable value and returns. The operational direction includes the following key points:

1. **Building a High-Quality SME Loan Portfolio:** The Company's strategy is to expand its SME customer base by focusing on providing loans to government partners, primarily through low-risk financial products such as factoring services. This approach meets the working capital needs of government-related businesses involved in various projects. At the same time, the Company aims to build a trusted brand and improve operational processes to enhance customer experience.
2. **Risk Management through Careful Debtor Screening and Portfolio Diversification:** The Company carefully screens customers and has established clear risk policies and criteria for assessing the ability of borrowers to repay. Skilled personnel with experience in credit analysis are in place to prevent low-quality debt. Additionally, the Company diversifies its loan portfolio across various industries to mitigate the impact of economic uncertainty, ensuring the ability to recover quickly if one industry is adversely affected.
3. **Expanding Installment Sales Business via Online Platform:** The Company aims to expand its customer base to younger generations who prefer to purchase products through installment payments. This aligns with the growing trend of financial technology (Fintech) and helps diversify the business risk by targeting new customer groups beyond just SMEs.

Financial Performance for period ended 30 September 2025

(Unit: Thousand Baht)	Statement of comprehensive income for the period ended 30 September					
	3 months			9 months		
	2025	2024	%Change	2025	2024	%Change
Interest Income	31,689	20,745	53%	86,580	54,957	58%
Fees and service incomes	10,529	6,548	61%	36,788	20,780	77%
Other income	1,294	1,803	(28%)	4,720	5,373	(12%)
Total revenues	43,512	29,096	50%	128,088	81,110	58%
Service expense	7,395	5,653	31%	21,032	15,907	32%
Administrative expense	17,448	17,293	1%	54,518	54,499	0%
Expected credit losses	7,344	352,516	(98%)	18,005	404,156	(96%)
Total expenses	32,187	375,462	(91%)	93,555	474,562	(80%)
Operating Profit(Loss) before finance cost and tax	11,325	(346,366)	103%	34,533	(393,452)	109%
Finance cost	(8,084)	(7,179)	13%	(23,985)	(23,843)	1%
Profit(Loss) before income tax expenses	3,241	(353,545)	101%	10,548	(417,295)	103%
Income tax revenues (expenses)	(537)	(35,729)	(98%)	(1,743)	(33,994)	(95%)
Profit(Loss) for the period	2,704	(389,274)	101%	8,805	(451,289)	102%

1. Revenues

Total revenue for the period ended 30 September 2025 increased by 47 million baht, or 58 percent, compared to the same period last year. This was driven by higher interest income and fee and service income, resulting from increased government budget disbursements, which in turn led to a continuous rise in loan demand from SMEs that are business partners with the government.

Interest incomes

Interest Income (Unit: Thousand Baht)	Consolidate Financial Statements				Change	
	2025	%	2024	%	Amount	%
- Installment Sales	29,349	34%	13,344	24.3%	16,005	120%
- Loan contracts	14,729	17%	6,658	12.1%	8,071	121%
- Factoring contracts	36,592	42%	29,644	53.9%	6,948	23%
- Finance lease contracts	705	1%	1,021	1.9%	(316)	(31%)
- Hire-purchase contracts	-	-	377	0.7%	(377)	(100%)
- Term Loan	5,196	6%	3,903	7.1%	1,293	33%
- Loans to customers	9	0%	10	0.0%	(1)	(10%)
Total	86,580	100%	54,957	100.0%	31,623	58%

Interest income for the period ended 30 September 2025 increased by 32 million baht, or 58 percent, compared to the same period last year, primarily driven by factoring contract which about 42% of total interest income.

Interest income Installment sales from Ulite Digital Co.,Ltd (subsidiary) increased by 16 million baht from the same period last year, due to the increasing sales volume and the growing number of business partners joining to sell products on the platform.

Interest income from long-term loans, which are long-term loans provided to enhance the liquidity of SME operators for their business operations and are secured loans, increased 1 million baht or 33% when compared with the same period last year.

Fees and service incomes

Fees and service incomes (Unit: Thousand Baht)	Consolidate Financial Statements				Change	
	2025	%	2024	%	Amount	%
- Loan contracts	11,105	30%	5,367	26%	5,738	107%
- Factoring contracts	23,449	64%	13,320	64%	10,129	76%
- Finance lease contracts	10	0%	41	0%	(31)	(76%)
- Hire-purchase contracts	-	-	13	0%	(13)	(100%)
- Term Loan	1,513	4%	1,395	7%	118	8%
- Letter of guarantees	508	1%	605	3%	(97)	(16%)
- Others	203	1%	39	0%	164	421%
Total	36,788	100%	20,780	100%	16,008	77%

Fee and service income increased by 16 million baht, or 77 percent, from the same period last year due to increase in new customers utilizing short-term loans, which is consistent with the Company's strategy

2. Expected Credit Losses

During the current period, the Company recognized expected credit loss of 18 million baht, a decrease of approximately 386 million baht from the same period last year. This decrease was due to the significant provisions made last year in proportion to non-performing loans (NPLs), while the current period saw a much lower rate of NPL occurrence. Furthermore, the Company has been actively pursuing the collection of NPLs to further reduce their proportion. However, the Company has assessed the expected credit loss provisions in accordance with Thai Financial Reporting Standard No. 9 to ensure that the provisions align with the quality and risk of customers, as well as the prevailing circumstances.

As of the end of the period on September 30, 2025, the ratio of allowance for expected credit losses to total loans slightly increased from the end of 2024, from 48 percent to 51 percent. The ratio of allowance for expected credit losses to NPLs increased from the end of 2024, from 77 percent to 80 percent. This resulted from the provisioning for Non-Performing Loans (NPLs), which still requires provisioning in accordance with the risk.

Nevertheless, the Company has a policy to expand its loan portfolio with quality by enhancing the rigor and prudence of credit risk assessment. This includes adjusting loan approval limits to be more appropriate, focusing on expanding the portfolio with low-risk products and providing loans to businesses that are not overly complex, as well as managing the portfolio by diversifying across various industry sectors. This is to ensure that new loan portfolio expansion is efficient, sustainable, and results in the lowest possible losses. In addition, the Company emphasizes debt collection by increasing the debt collection team and engaging external law firms to expedite debt recovery in order to reduce the proportion of non-performing loans (NPLs). It also considers additional write-offs for debt items clearly expected to be irrecoverable, based on the results of debt collection efforts and legal proceedings, to further reduce the proportion of NPLs.

3. Service expenses

Service expenses increased by 5 million baht, or 32 percent, in line with the increase in revenue, primarily due to employee expenses.

4. Income tax expenses

The Company recognized income tax expense of 2 million baht. This resulted from corporate income tax expense due to tax profit.

5. Net profit and Earning per shares

The Company reported a net profit of 9 million baht, resulting from higher revenue levels and a decrease in expected credit loss provisions. Consequently, the Earnings Per Share (EPS) for the nine-month period increased to 0.02 Baht per share, compared to a loss of (1.019) Baht per share in the same period of the previous year.

Liquidity and Cash Flow

The Company had cash outflows from operating activities of 72 million baht, primarily due to the expansion of the loan portfolio in Instalment sales products, factoring, and loan agreements. This was financed by the issuance of short-term promissory notes to expand the loan portfolio.

The Company's current ratio as of the end of the third quarter of 2025 and the end of 2024 was 1.5 times and 5.1 times, respectively. The decrease from the previous year was due to debentures offered in May 2024 having a maturity within one year. The Company plans to issue new debentures in October 2025 to repay the existing debentures and expand the loan portfolio in the future.

Consolidated financial position of the Company as of 30 September 2025 in comparison with that as of 31 December 2024.

Assets

Total assets as of the third quarter of 2025 were 942 million baht, a decrease of approximately 47 million baht from the end of 2024. The main result from a reduction in the portfolio, specifically in factoring and Loan contracts, at the end of the quarter. This was due to debt collection efforts and waiting for the disbursement of government budgets.

Liabilities

Total liabilities as of the third quarter of 2025 decreased by approximately 56 million baht compared to the end of 2024. This was due to repayment debentures amounting to 54 million baht in March 2025.

The ratio of interest-bearing debt to equity (IBD ratio) as of the third quarter of 2025 and the end of 2024 was 0.56 times and 0.67 times, respectively. The decrease from repayment debentures amounted to 54 million baht in March 2025. However, this ratio remains low due to the Company's strong capital structure and effective management of funding sources, which aligns lending activities to ensure efficient cash flow management.

The interest coverage ratio (ICR) for the third quarter of 2025 and the end of 2024 was 1.7 times and (12 times), respectively. The increase in ICR in the current period was due to improved operating performance. However, the Company continues to focus on managing cash flow to further improve liquidity balance, thereby building stability and confidence among stakeholders.

Equity

Annual General Meeting of Shareholders approved the transfer of legal reserve amounting to 30 million Baht and share premium amounting to 443 million Baht to offset the Company's deficit totaling 473 million Baht. Equity increased from the year 2024 about 9 million baht due to net profit of current period.

Please be informed accordingly.

Best regards,

(Ms.Sitaphatr Nirojthanarat)

Chief Executive Officer

Lease IT Public Company Limited