



No. PROS 2026-018

12 May 2026

Re: Management Discussion and Analysis (MD&A) for the First Quarter of 2026

To: President  
The Stock Exchange of Thailand

Prosper Engineering Public Company Limited (“the Company”) and its subsidiaries (“the Group”) provide the Management Discussion and Analysis (MD&A) of changes to our operations for 3 month-periods ending March 31, 2026 as follows:

#### **Revenue from construction and services**

For the first quarter of 2026, the group had construction and service income of 113.56 million baht, decreasing 212.06 million baht from the same period of 2025 or 65.13 percent decrease. The Company has focus on the new work cautiously and prioritize jobs that can generate revenue and profit quickly, including taking on work in the same area.

The group can recognition income according to the success state of construction from the Accident and Emergency Building Construction Rajavithi Hospital Project, the Lotus's Supermarket: Pattanakarn 30 Project, the Residences 38 (BT38) Project, the Mochit Complex Project etc.

#### **Other income**

Other income mainly came from the sale of scrap materials and inventory goods, in line with the Company’s policy to dispose of assets that are unable to generate revenue. For the first quarter of 2026, the group recorded other income of 4.92 million baht, representing 4.33 percent of total revenue.

#### **Cost of construction and gross profit**

For the first quarter of 2026, the group has construction cost and service costs of 105.56 million baht, decrease compared to the first quarter of 2025 by 197.54 million baht, equivalent to 65.17 percent. The gross profit in the first quarter of 2026 was 8.00 million baht and gross profit in the first quarter of 2025



was 22.53 million baht or 7.05 percent and 6.92 percent respectively. The increase in the gross profit rate was due to procurement to reduce raw material costs, restructuring operations to achieve efficient use of resources, controlling material costs and labor costs.

### **Selling and administrative expenses**

For the first quarter of 2026 and 2025 amounted to 9.19 million baht and 14.96 million baht, respectively. The proportion of selling and administrative expenses to total revenue from construction and services are 8.09 percent and 4.59 percent respectively. Comparing to same period of the previous year, the group had selling and administrative expenses decrease by 5.77 million baht or 38.58 percent, caused by reduced administrative expenses due to organizational restructuring, workforce planning adjustments, executive salary reductions, office relocation, and office expense control.

### **Net Profit**

For the first quarter of 2026, the group has a net profit of 1.45 million baht, decrease from the same period of 2025 by 3.01 million baht or decrease of 67.48 percent. Caused by decrease in construction work revenue.

### **Financial position**

As of 31 March 2026, the group had total assets of 639.54 million baht decrease compared to total assets as of 31 December 2025 in the amount of 54.25 million baht. The major reason for the decrease was from the contract assets, there is a short-term loan to related parties that are not qualify as connected transactions, namely the Prosper and UPK Joint Venture in the amount of 4.00 million baht, in the form of a promissory note with a term not exceeding 90 days and can be renewed for no more than 90 days at a time, with interest at the rate of MLR (KBANK) minus 1.6 percent per year, with principal repayment on due date and interest paid every month and the Prosnex Company Limited in the amount of 16.31 million baht. the company has set aside an allowance for expected credit losses, shown as administrative expenses in the separate financial statements for the year 2025.

As of 31 March 2026, the group had total liabilities of 549.12 million baht decrease compared to as of 31 December 2025 by 55.70 million baht, representing a decrease rate of 9.21 percent. The key reason for the decrease was trade payables and other current payables.



The shareholders' equity of the group as of 31 March 2026 amounted to 90.42 million baht. Comparing to the shareholders' equity as of 31 December 2025 that increased in the amount of 1.45 million bath, mainly due to the profit from operations of the group.

**Liquidity ratio**

For the first quarter of 2026, the liquidity ratio of the group is at 0.89 times, compared to the first quarter of 2025 at 0.94 times. It's caused from the decrease of contract assets.

**Note** : 1.Prosnex Company Limited

- Prosper Engineering Public Company Limited holding 60 percent of shares
- Mr.Wiwat Kauphuthai holding 20 percent of shares
- Mr.Kotien Pameto holding 20 percent of shares

2.Prosper and UPK Joint Venture

- Prosper Engineering Public Company Limited invest 60 percent
- U.P.K. Engineering Limited Partnership invest 40 percent

Please be informed accordingly

Your sincerely,

(Mr. Pongthep Ratanaseangsuang)

Chief Executive Officer