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PUBLIC COMPANY LIMITED



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Pro Inside Public Company Limited

Management Discussion and Analysis

For the three-month period ended March 31, 2026

May 12, 2026

Subject: Management Discussion and Analysis for the First Quarter of 2026
To: President, The Stock Exchange of Thailand
Attachment: A copy of the financial information for the three-month period ended March 31, 2026 (1 set)

Pro Inside Public Company Limited (the “Company”) hereby submits the financial information for the three-month period ended March 31, 2026, which have been reviewed by an independent auditor, along with the Management Discussion and Analysis (MD&A). This information is provided for investors and the general public. The details are as follows:

Business Overview

Pro Inside Public Company Limited (the “Company”) operates as a provider of consulting, design, development, installation, and maintenance services for comprehensive information and communication technology systems, or “ICT Solutions”, to deliver technologies that meet clients' operational needs in a turnkey format. The core business structure is divided into 3 groups, which are:

1. Physical Security Solution: The design and installation of smart security systems connected to IT networks.
2. ICT Application Solution: The development and installation of software or applications to enhance organizational management efficiency.
3. IT Integration Services: The implementation of network infrastructure and data communication.

The Company's services cover from the procurement and distribution of related hardware and software products to the provision of continuous system maintenance services to ensure that the clients' information technology systems can operate efficiently and sustainably.

Economic and Industry Conditions Impacting Operations

In the first quarter of 2026, the macroeconomic outlook faced significant challenges from geopolitical conflicts and intensifying international wars, which directly impacted energy and global oil prices, leading to a significant increase. These factors created inflationary pressure and increased overall business operating costs. However, amidst the economic constraints, the information technology industry continued to receive significant support from ongoing government initiatives to increase efficiency through digital systems. Particularly, the Digital Government plan, the Cloud First policy, and investments in Smart Security. These are urgent agendas that create stable business opportunities for the Company as a comprehensive digital infrastructure solution provider.

Furthermore, the Company’s operations under complex global situations also faced challenges from United States trade measures and tax policies on technology products, which indirectly affected price structures and the global IT equipment supply chain. This caused hardware product cost volatility and longer-than-usual delivery lead times. To handle these situations, the management has enhanced proactive risk management through advance equipment procurement planning and managing relationships with diverse technology partners to reduce dependency on any single source and maintain the ability to deliver projects under fixed-price contracts on schedule.

Along with trade policy factors, foreign exchange rate volatility is another factor the Company monitors closely. Although the Company primarily procures equipment and software licenses through domestic distributors, Thai Baht fluctuations may indirectly affect cost structures as distributors may adjust prices to reflect higher import costs. To prevent such risks, the management has adjusted procurement strategies by focusing on negotiating price lock agreements with distributor partners, along with evaluating and reserving for cost volatility in project pricing to prevent impacts on the gross profit margin and maintain the Company's financial stability without taking direct exchange rate risks.

Amidst challenges from both hardware costs and the more expensive software licensing models adjusted by major providers, the Company has turned this crisis into an opportunity by shifting its role to a strategic technology consultant. We focus on helping clients manage IT resources for maximum cost-effectiveness and offering cybersecurity services that comply with personal data protection laws. Furthermore, the Company continues to prioritize personnel skill development in modern technologies to transform the organization into a value-driven strategic partner, ready to drive clients' businesses for sustainable growth and to firmly overcome global economic volatility.

Summary of Key Events and Developments

During this quarter, there were no significant events or developments that had a material impact on the Company's operations or financial position. The Company's activities primarily focused on managing and delivering ongoing projects according to plan, as well as providing continuous maintenance (MA) services to existing clients.

Summary of Operating Results

Operating performance overview for the three-month period ended March 31, 2026

Unit: Million Baht	Q1 2026	Q4 2025	Q1 2025	QoQ (%)	YoY (%)
Total Revenue	734	697	628	5%	17%
Net Profit	78	39	72	100%	8%
Basic Earnings per Share (Baht/Share)	0.14	0.07	0.14	100%	0%

In Q1/2026, the Company recorded total revenue of THB 734 million, representing an increase of THB 106 million or 17% compared to the same quarter of the previous year, and an increase of THB 37 million or 5% compared to the previous quarter. The primary supporting factor was the continued trust and confidence from both government agencies and the private sector, which enabled the Company to secure new projects and significantly increase revenue recognition. This was particularly driven by the delivery of large-scale government projects during 2026, reflecting the Company's robust operational capabilities.

Driven by the revenue growth coupled with efficient cost and operational management, the Company achieved a net profit of THB 78 million in Q1/2026. This represents an increase of THB 6 million or 8% compared to the same quarter of the previous year, and an outstanding growth of THB 39 million or 100% compared to the previous quarter.

Regarding the Basic Earnings Per Share in Q1/2026, it stood at THB 0.14 per share, representing a 100% increase compared to the previous quarter, which is consistent with the net profit growth. Meanwhile, compared to the same quarter of the previous year, the earnings per share remained stable at the same level of THB 0.14 per share.

Revenue

Unit: Million Baht	Q1 2026	Q4 2025	Q1 2025	QoQ (%)	YoY (%)
Revenue from System Integration Services	159	478	364	-67%	-56%
Revenue from Sales	-	-	-	0%	0%
Revenue from Services	575	219	264	163%	118%
Total Revenue	734	697	628	5%	17%

Revenue from System Integration Services

In Q1/2026, the Company recorded revenue from system integration services of THB 159 million, accounting for approximately 22% of total revenue. This represents a decrease of THB 205 million or 56% compared to the same quarter of the previous year, and a decrease of THB 319 million or 67% compared to the previous quarter. The primary reason was that the Company was in the process of gradually recognizing revenue from large-scale government projects awarded in previous years based on the percentage of completion. Additionally, there were no new major system integration projects contributing to revenue during this quarter. The key projects delivered in Q1/2026 are as follows:

- Project for the procurement, development, installation, and maintenance of Enterprise Resource Planning (ERP) systems
- Project for the installation of the Traffic Technology and Safety Control Center for the Bangkok Metropolitan Administration (BMA)
- Project for National Health Cloud Development Project, Activity 1: Development of the Health Information Exchange Management System

Revenue from Services

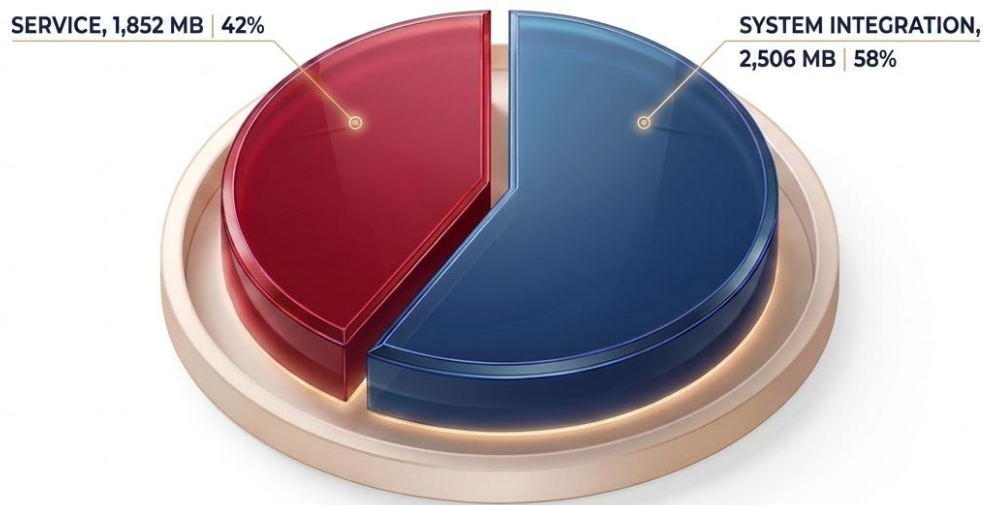
In Q1/2026, the Company recorded revenue from services of THB 575 million, accounting for approximately 78% of total revenue. This represents an increase of THB 311 million or 118% compared to the same quarter of the previous year, and an increase of THB 356 million or 163% compared to the previous quarter. The primary supporting factors were the expansion of cloud computing rental services for government agencies, as well as increased revenue recognition from maintenance service contracts for information technology and digital security systems in major government projects. The key projects in Q1/2026 are as follows:

- Lease agreement for cloud computing system.
- Contract for the maintenance of Core Business Software Packages and related system integration.
- Contract for service of the Sustainable Digital Community Ecosystem Development Project, Activity 1: Provision of Public Internet Centers (Digital Community Centers) totaling 1,722 centers; Group 4: Equipment leasing and personnel provision for 412 Digital Community Centers.
- Contract for the maintenance of CCTV systems at Suvarnabhumi Airport, Don Mueang Airport, Chiang Mai Airport, Hat Yai Airport, Phuket Airport, and Mae Fah Luang Chiang Rai Airport.

Revenue Backlog

As of March 31, 2026, the Company had total unfulfilled project value and revenue to be recognized in the future (Backlog) amounting to THB 4,358 million. This reflects the stability of the revenue base that will be gradually recognized from 2026 onwards, as well as reinforcing the continued trust and confidence the Company receives from government agencies and business partners in delivering information technology solutions. The aforementioned revenue to be recognized in the future can be classified by type as follows:

- Revenue from System Integration: THB 2,506 million, accounting for 58%
- Revenue from Services: THB 1,852 million, accounting for 42%



TOTAL BACKLOG: 4,358 MB

Cost

Unit: Million Baht	Q1 2026	Q4 2025	Q1 2025	QoQ (%)	YoY (%)
Cost of System Integration Services	112	395	291	-72%	-62%
Cost of Sales	-	-	-	0%	0%
Cost of Services	454	175	200	159%	127%
Total Cost	566	570	491	-1%	15%
Gross Profit	168	127	137	32%	23%
Gross Profit Margin (%)	23%	18%	22%		

In Q1/2026, the Company recorded total costs of THB 566 million, representing an increase of THB 75 million or 15% compared to the same quarter of the previous year, which had total costs of THB 491 million. Meanwhile, compared to the previous quarter, total costs slightly decreased by 1%. The Company generated a gross profit of THB 168 million, resulting in a gross profit margin of 23% in Q1/2026. This is an improvement compared to the gross profit margin of 18% in the previous quarter and 22% in the same quarter of the previous year. The details of cost changes in each business group are as follows:

- **Cost of System Integration Services:** Amounted to THB 112 million, a decrease of THB 179 million or 62% compared to the same quarter of the previous year, and a decrease of THB 283 million or 72% compared to the previous quarter. This decline is in line with the lower revenue due to the absence of new large-scale system integration projects in this quarter. Furthermore, the Company continued to receive rebates from major distributor partners, which effectively helped reduce project costs. Additionally, large-scale projects in the past typically had a high proportion of hardware and installation costs, which pressured profit margins. Therefore, recognizing revenue from projects with lower equipment costs in this quarter was a supporting factor driving the Company's overall gross profit margin improvement.
- **Cost of Services:** Amounted to THB 454 million, an increase of THB 254 million or 127% compared to the same quarter of the previous year, and an increase of THB 279 million or 159% compared to the previous quarter. This is consistent with the revenue growth from new high-value projects, specifically the provision of cloud computing rental services to government agencies. However, leveraging the Company's expertise allowed for efficient management of personnel and operating expenses. Consequently, compared to the previous quarter, costs increased at a lower proportion than revenue growth, leading to an improved gross profit margin for services. Meanwhile, compared to the same quarter of the previous year, the cost of services increased at a slightly higher rate than revenue growth. This was due to the Company expanding the scope of service and maintenance across multiple agencies, resulting in the need to increase personnel and related expenses. Nevertheless, such cost increases remain at a level that the Company can control and manage according to plan.

Operating Expenses

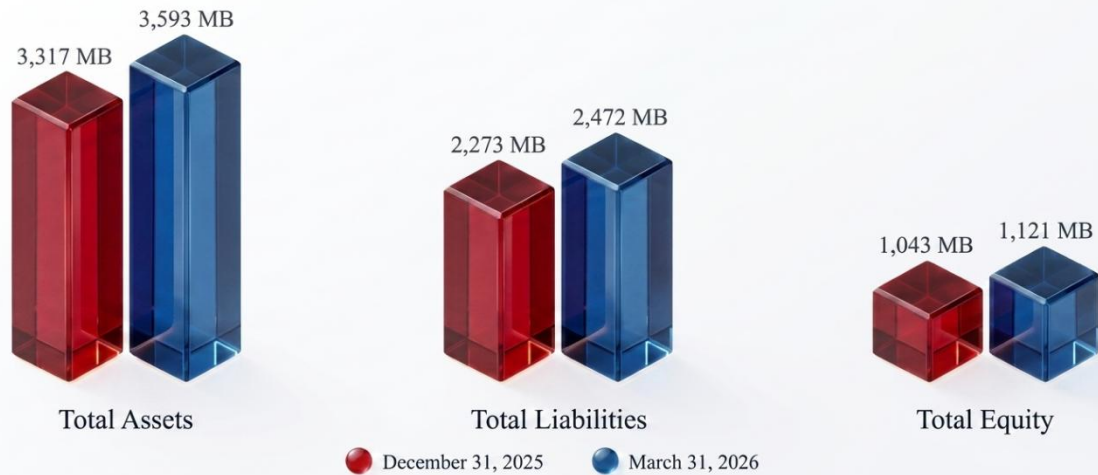
Unit: Million Baht	Q1 2026	Q4 2025	Q1 2025	QoQ (%)	YoY (%)
Selling Expenses	17	16	14	6%	21%
Administrative Expenses	40	60	32	-33%	25%
Finance Costs	16	19	12	-16%	33%
Total Expenses	73	95	58	-23%	26%
Expense Ratio to Revenue (%)	10%	14%	9%		

In Q1/2026, the Company recorded total operating expenses of THB 73 million, representing an increase of THB 15 million or 26% compared to the same quarter of the previous year, which had total expenses of THB 58 million. However, compared to the previous quarter, total operating expenses decreased by THB 22 million or 23%. The key factors are as follows:

- **Administrative Expenses:** Increased by THB 8 million or 25% compared to the same quarter of the previous year. This was primarily driven by an increase in headcount to support business expansion and a higher number of projects, leading to higher personnel and related management expenses. However, compared to the previous quarter, administrative expenses significantly decreased by THB 20 million or 33%. The main reason is that in Q4/2025, the Company prudently recorded an allowance for expected credit loss (ECL) to realistically reflect receivable values, alongside additional management expenses from exponential growth during the year 2025. No such additional allowances for expected credit loss were recorded in Q1/2026.
- **Finance Costs:** Increased by THB 4 million or 33% compared to the same quarter of the previous year, as the Company utilized more short-term loans for working capital to support large-scale projects. However, compared to the previous quarter, finance costs decreased by THB 3 million or 16%. The primary factors were the downward adjustment of interest rates during Q1/2026, along with a decrease in the accounting interest expense related to receiving advance project payments from clients, which had a lower proportion in this quarter compared to the previous quarter.

Consequently, the operating expense to total revenue ratio in Q1/2026 stood at 10%, slightly increasing from 9% in the same quarter of the previous year, which resulted from proactive investments in workforce readiness for the Company's expansion. However, this ratio significantly decreased from 14% in the previous quarter, demonstrating stringent overall cost management efficiency and benefiting from economies of scale as total revenue growth increased.

Summary of Financial Position



Total assets as of March 31, 2026, amounted to THB 3,593 million, an increase of THB 276 million or 8% from the end of 2025. The primary factors were an increase in lease receivables by THB 376 million, resulting from large-scale projects that the Company delivered to government agencies during Q1/2026. Additionally, advance payments for projects increased by THB 247 million, which aligns with the advance procurement plan for equipment and services in preparation for project deliveries throughout the remainder of 2026. Furthermore, contract assets increased by THB 24 million, arising from revenue recognition based on the percentage of completion for projects delivered in Q1/2026 that are still pending the billing process. Moreover, restricted bank deposits increased by THB 38 million, utilized as collateral for issuing Letters of Guarantee for project bidding and new operations, as well as collateral for borrowings from financial institutions.

However, trade and other current receivables decreased by THB 286 million, which is the result of efficiency in tracking and collecting debts from clients during the quarter. Additionally, inventories decreased by THB 85 million from the utilization of equipment for delivery in completed large-scale projects. Furthermore, leasehold improvements and equipment decreased by THB 14 million due to the depreciation of project equipment provided to clients during Q1/2026 according to project life.

Total liabilities as of March 31, 2026, amounted to THB 2,472 million, an increase of THB 199 million or 9% from the end of 2025. The main reason was an increase in long-term loans from financial institutions by THB 152 million, utilized as the primary funding source to manage large-scale projects with relatively long operational periods. This was coupled with an increase in short-term loans from financial institutions by THB 24 million to serve as working capital for ongoing projects. Additionally, trade and other current payables increased by THB 19 million from the procurement of equipment and services for large-scale projects during Q1/2026.

Total shareholders' equity as of March 31, 2026, amounted to THB 1,121 million, an increase of THB 78 million or 7% compared to the end of 2025. The primary factor was an increase in unappropriated retained earnings, which reflects the strong net operating profit achieved in Q1/2026.

Key Financial Ratios

Financial Ratio	Q1/2026	Q4/2025	Q1/2025
Liquidity Ratios			
Current Ratio	1.2	1.2	1.3
Quick Ratio	0.3	0.4	0.5
Average Collection Period (Days)	52	44	87
Average Payment Period (Days)	41	47	36
Leverage Ratios			
Debt to Equity Ratio	2.2	2.2	1.9
Interest Coverage Ratio	7.3	6.5	7.8
Debt Service Coverage Ratio	0.4	0.4	0.3
Profitability Ratio			
Return on Equity (ROE)	28.2	39.6	24.6
Efficiency Ratio			
Return on Asset (ROA)	13.6	15.3	10.5

1. Liquidity Ratios

In Q1/2026, the Company's current ratio stood at 1.2 times, remaining stable compared to the previous quarter but slightly decreasing from 1.3 times in the same quarter of the previous year. This reflects an appropriate liquidity level for business operations and for supporting current liabilities. Meanwhile, the quick ratio decreased to 0.3 times. The primary reason was that the Company utilized a portion of its liquidity for advance payments for goods and services to prepare equipment for large-scale projects, resulting in a decrease in the proportion of highly liquid assets. The average collection period stood at 52 days. Although this is a slight increase from 44 days in the previous quarter, it is a vast improvement compared to 87 days in the same quarter of the previous year, reflecting efficiency in tracking and collecting debts from clients, which resulted in a clear decrease in trade receivables. Simultaneously, the average payment period was 41 days, a decrease from 47 days in the previous quarter. In Q1/2026, it can be seen that the Company had a faster payment cycle than its collection cycle, which may pose a short-term impact on operating cash flow. However, the Company has recognized this issue and proactively prepared stringent mitigation measures. This includes securing sufficient short-term credit facilities from financial institutions to support operations, coupled with appropriately negotiating and managing credit terms with trade partners. This ensures that the Company can maintain strong liquidity and operate continuously.

2. Leverage Ratios

In Q1'2026, the debt to equity ratio stood at 2.2 times, remaining stable compared to the previous quarter but increasing from 1.9 times in the same quarter of the previous year. The primary factor was an increase in long-term and short-term borrowings from financial institutions to serve as working capital supporting the growth of large-scale projects. However, the interest coverage ratio improved to 7.3 times compared to 6.5 times in the previous quarter, which resulted from strong operating profit growth coupled with a downward trend in interest rates compared to the previous year. Meanwhile, the debt service coverage ratio remained stable at 0.4 times, which is considered a normal level for the nature of the system integration business that relies on short-term credit to execute projects prior to installment disbursements from government agencies.

3. Profitability Ratio

In Q1/2026, the Return on Equity (ROE) stood at 28.2%, an increase compared to 24.6% in the same quarter of the previous year. This was directly supported by net profit growth, particularly the revenue expansion from cloud computing rental service contracts, which yield a high gross profit margin. Although this ratio decreased from 39.6% in the previous quarter, the primary factor was the significant expansion of the shareholders' equity base driven by accumulated retained earnings from the previous year. However, this level of return remains high, demonstrating the Company's ability to continuously manage investments and generate returns for shareholders.

4. Efficiency Ratio

In Q1/2026, the Return on Asset (ROA) stood at 13.6%, an increase compared to 10.5% in the same quarter of the previous year. This is consistent with the exponential growth in net profit and reinforces the management's capability to effectively utilize increased assets to generate returns and cash flow. Although this ratio decreased from 15.3% in the previous quarter, the Company continues to maintain continuous operational growth coupled with excellent corporate resource management.

Factors Impacting Future Operations or Growth

The Company has analyzed and assessed key factors that may impact future operations and growth, categorized as follows:

1. Changes in Customer Investment Behavior and Government Policies

Under challenging economic conditions, the private sector has adjusted its investment behavior by slowing down experimental projects and focusing on investments in core technologies that yield concrete results to reduce operating expenses, along with investments in cybersecurity to support legal restrictions. However, the government continues to continuously drive the Digital Economy policy and government cloud services (Cloud First Policy). Therefore, the Company has adjusted its project presentation strategy by focusing on tangible outcomes, along with elevating cybersecurity services and laying data infrastructure to support Artificial Intelligence (AI) technology, to align with government policy directions and directly address customers' cost-reduction needs.

2. Volatility of the Global Supply Chain and Hardware Costs

The impact of geopolitical tensions and the exponential growth of the AI market has resulted in a global shortage of semiconductor components and computer memory. This factor causes hardware equipment costs to be volatile, product delivery lead times to be delayed, and global manufacturers to shorten their price quotation validity periods, which poses a challenge to fixed-price projects. The Company has elevated its supply chain management measures through negotiating advance price lock agreements with domestic distributors, coupled with stringent advance equipment backup planning, and risk diversification by collaborating with various technology partners to maintain the ability to deliver work and protect the Company's gross profit margin.

3. Volatility of Economic Conditions and Financial Costs

Although the policy interest rate trend has begun to decrease to support liquidity in the economic system, exchange rate volatility remains a factor that may indirectly affect equipment import costs. In addition, there is a need to remain cautious of uncertainties from external factors, such as the United States' trade policies. Therefore, the Company has implemented an Active Treasury Management policy to accommodate these factors, utilizing the downward trend in interest rates to efficiently manage financial costs for turnkey system integration projects, along with evaluating cost and exchange rate volatilities to strictly incorporate them into the pricing structure, thereby sustainably maintaining liquidity and financial stability.

4. Personnel Skill Development and Sustainability

The rapid change in technology has led to a shortage of highly skilled IT personnel in the labor market, which is a major challenge for the industry. Therefore, the Company places the highest importance on targeted human resource development by providing learning of new skills and upskilling employees' expertise to cover advanced technologies, coupled with utilizing digital tools to help increase work efficiency. This approach not only helps reduce project delivery times but also includes the improvement of life quality, physical health, and mental health, while also aligning with the sustainable corporate development goals in the social dimension.

Even though in Q1/2026, the Company will have to face complex challenges from the global economic structure, both in the dimension of the volatile hardware supply chain and the demand for highly skilled personnel. However, with the management's vision aiming to transform the organization into a value-driven strategic partner, combined with stringent risk management in cost structure and cash flow, the Company is confident that it can turn these challenging factors into business opportunities while maintaining its competitive capability and driving operational performance to grow steadily and sustainably in the future.

Sustainability Development

Pro Inside Public Company Limited (the “Company”) continues to conduct its business in alignment with sustainable development principles, aiming to balance business growth with environmental stewardship and social responsibility (Environmental, Social and Governance: ESG), in order to create long-term value for all stakeholders.

In the social dimension, the Company is committed to promoting equitable access to information technology and digital services through the development and delivery of digital infrastructure projects and technology solutions. These initiatives help enhance quality of life, safety, and service efficiency for both public and private sectors. Key examples include communication network systems, closed-circuit television (CCTV) systems, and data management systems, all of which contribute to reducing inequality in access to information and public services.

In the environmental dimension, the Company places importance on efficient resource utilization and supports the adoption of technology to reduce energy consumption and environmental impacts arising from its operations. This includes promoting digital systems to reduce paper usage, as well as encouraging customers to adopt digital technologies that minimize resource consumption and improve operational efficiency, thereby contributing to overall environmental impact reduction.

In the governance dimension, the Company operates with transparency, adheres to good corporate governance principles, and maintains prudent risk management practices. The Company ensures compliance with applicable laws, regulations, and relevant guidelines, while fostering ethical conduct and accountability across all levels of the organization.

In addition, the Company emphasizes continuous human capital development, enhancing both digital and professional skills, alongside fostering a working environment that supports employee engagement, diversity, and well-being, to sustain long-term organizational growth.

Please be informed accordingly.

Sincerely yours,

Miss Benyapa Chalermwat
Director

Corporate Secretary
Tel. 02 029 7875 Ext 726