PROSPER ENGINEERING PCL.

No. PROS 2026-030

13 August 2026

Re: Management Discussion and Analysis (MD&A) for the Second 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 the Second Quarter ending June 30, 2026 as follows:

Revenue from construction and services

For the first six-month of 2026, the group had construction and service income of 211.24 million baht, decreasing 326.33 million baht from the same period of 2025 or 60.70 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 Residences 38 (BT38) Project, the Lotus's Supermarket: Pattanakarn 30 Project, the Mochit Complex Project, SCPS System Improvement Project Phase 2-5 Power Stations etc.

Other income

Other income mainly came from the sale of scrap materials ,inventory goods and income from office building rentals, in line with the Company's policy to dispose of assets that are unable to generate revenue and increase income from rental properties. For the first six-month of 2026, the group recorded other income of 9.62 million baht, representing 4.55 percent of total revenue.

W. [signature]

บริษัท พรอสเพอร์ เอ็นจิเนียริ่ง จำกัด (มหาชน)
131 ถนนหนองระแหง แขวงสามวาตะวันตก เขตคลองสามวา กรุงเทพฯ 10510 โทร. +66 2514 3113
131 Nongrahaeng Rd., Samwatawantok, Khlongsamwa, Bangkok 10510 Tel. +66 2514 3113
www.prosperengineering.co.th

Cost of construction and gross profit

For the first six-month of 2026, the group has construction cost and service costs of 222.89 million baht, decrease compared to the first quarter of 2025 by 272.96 million baht, equivalent to 55.05 percent. The loss profit in the first six-month of 2026 was (11.64) million baht and gross profit in the first six-month of 2025 was 41.73 million baht or (5.51) percent and 7.76 percent respectively. The decrease in the gross profit rate was attributable to the recognition of the estimated loss from the Prosper and UPK Joint Venture in proportion to the 60% shareholding, as material costs increased due to higher oil prices and labor costs rose due to the acceleration of work as the project delivery deadline approached.

Selling and administrative expenses

For the first six-month of 2026 and 2025 amounted to 43.17 million baht and 29.51 million baht, respectively. The proportion of selling and administrative expenses to total revenue from construction and services are 20.44 percent and 5.49 percent respectively. Comparing to same period of the previous year, the group had selling and administrative expenses increase by 13.67 million baht or 46.32 percent, which resulted from increased administrative expenses, including employee compensation payments due to organizational restructuring and set aside an allowance for expected credit losses.

Net Loss

For the first six-month of 2026, the group has a net loss of (50.31) million baht, decrease from the same period of 2025 by (59.05) million baht or decrease of 675.49 percent. caused by decrease in resulting from employee severance payments due to organizational restructuring and the recognition of estimated losses from the Prosper and UPK Joint Ventures in proportion to the 60% share.

Financial position

As of 30 June 2026, the group had total assets of 473.00 million baht decrease compared to total assets as of 31 December 2025 in the amount of 220.79 million baht. The major reason for the decrease was from the trade and other current receivables, which included trade receivables from related parties, Prosper and UPK Joint Venture, amounting to 16.95 million baht, the company recognized an allowance for expected credit losses of (10.01) million baht, which was presented as administrative expenses in the separate financial statements for the first six months of 2026.

PROSPER ENGINEERING PCL.

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, the entire principal and interest were fully repaid in April 2026 and the Prosnex Company Limited in the amount of 16.31 million baht , the company has recognized an allowance for expected credit losses, which is presented as administrative expenses in the separate financial statements for the year 2025.

As of 30 June 2026, the group had total liabilities of 426.88 million baht decrease compared to as of 31 December 2025 by 177.94 million baht, representing a decrease rate of 29.42 percent. The key reason for the decrease was trade payables and other current payables.

The shareholders' equity of the group as of 30 June 2026 amounted to 46.13 million baht. Comparing to the shareholders' equity as of 31 December 2025 that decrease in the amount of 42.85 million bath, mainly due to the loss from operations of the group.

Liquidity ratio

For the first six-month of 2026, the liquidity ratio of the group is at 0.77 times, compared to the first quarter of 2025 at 1.02 times. It's caused from the decrease of trade and other current receivables.

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