INDIGY

No. IDG 2026-011

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Subject Management Discussion and Analysis for the Quarter 2/2026

Dear Directors and Management

Stock Exchange of Thailand

Indigy Public Company Limited (“the Company", “IDG”) would like to provide Management Discussion and Analysis for the Quarter 2/2026 as attached.

Yours sincerely,

*-Chidtrawan Chantawong-*

Miss Chidtrawan Chantawong

Chief Financial Officer

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**Business Overview**

INDIGY Public Company Limited ("the Company" or "IDG") operates in the field of digital technology and digital transformation, focusing on the development and delivery of digital solutions, platforms, software, and AI services. The Company helps organizations improve operational efficiency, enhance competitiveness, and adapt sustainably to the evolving digital economy under its vision: **"Simplify Work, Amplify Innovation."**

With more than 25 years of experience, the Company has extensive expertise in providing end-to-end digital transformation services, covering consulting, system development, technology integration, workflow and automation management, as well as the development of digital platforms and AI solutions for both public and private sector organizations across a wide range of industries.

To strengthen its business operations and better serve customer needs, the Company has restructured its operations into **five core Digital Business Groups**, creating a comprehensive digital ecosystem that supports organizations from strategic planning and system development to operational optimization, workforce development, and new business opportunities in the AI and Digital Economy era.

**1. Digital Consulting**

The **Digital Consulting** business group provides digital and technology consulting services to help organizations define and execute effective digital transformation strategies. Its service offerings include:

- Digital Transformation Strategy
- AI Strategy
- Cloud Strategy
- Enterprise Architecture
- Business Process Improvement
- IT Governance
- Cybersecurity
- Technology Roadmap Development

The Company specializes in analyzing organizational business processes to design improvements that reduce inefficiencies, eliminate redundancies, enhance productivity, and improve both customer and employee experiences through digital technologies.

In addition, the Company emphasizes the adoption of AI and automation at the enterprise level to support business decision-making, data analysis, and long-term operational excellence.

**2. Digital Integration**

The **Digital Integration** business group focuses on the development, implementation, and integration of enterprise information technology systems. Its primary objective is to build secure, scalable, and flexible digital infrastructures that support future business growth.

Key services include:

- AI Solutions Development and Integration
- Microsoft 365 Solutions

- Microsoft Azure Cloud Services
- Power Platform Solutions
- Enterprise Workflow Systems
- Data Integration
- API Integration
- Document Management Systems
- Collaboration Platforms
- Cloud Infrastructure Deployment and Management
- Cybersecurity Solutions

The Company possesses strong expertise in workflow automation and system integration, helping organizations streamline business processes, improve operational speed, and enhance collaboration across departments.

One of the Company's key strengths lies in delivering solutions within the **Microsoft Ecosystem**, complemented by ongoing services such as:

- System Support
- Maintenance Services
- Managed Services

These services help ensure stability, security, and long-term reliability for clients' business operations.

**3. Digital Platform**

The **Digital Platform** business group develops the Company's proprietary software products and digital platforms to meet the needs of modern organizations.

The Company focuses on creating **AI-Native platforms** and **subscription-based services**, generating recurring revenue streams and sustainable long-term growth.

Its key product platforms include:

- **Work+** A workflow automation and employee services platform designed to enhance internal operational efficiency.
- **Biz+** A platform supporting business operations and customer engagement processes.
- **Life+** A smart community and smart living platform designed to improve user experiences and digital interactions.
- **Transformation+** An AI-Native platform developed under the **AAA Framework (Application, Automation, and AI Agents)**, enabling organizations to build intelligent business applications and AI-powered workflows.

The Company continuously enhances its platforms to integrate seamlessly with enterprise systems while leveraging AI, Data Analytics, and Automation to maximize business value and operational efficiency.

**4. Digital Academy**

The **Digital Academy** business group focuses on digital, technology, and AI capability development, helping organizations prepare their workforce for future technological changes and evolving work environments.

Training services are available through:

- Public Training Programs
- In-House Training
- Workshops
- Executive Programs

Key training topics include:

- Artificial Intelligence (AI)
- Microsoft 365
- Microsoft Copilot
- Power Platform
- Cloud Computing
- Cybersecurity
- Data Analytics
- Workflow Automation

The Company also develops AI Adoption and AI Transformation programs to help organizations successfully implement AI at both operational and strategic levels.

Digital Academy promotes a **"Learning by Doing"** approach, emphasizing practical application and measurable outcomes. It also serves as a strategic component of the Company's digital transformation ecosystem, helping expand future business opportunities among enterprise customers.

**5. Digital Market**

The **Digital Market** business group focuses on marketing, sales channel development, and ecosystem expansion for the Company's digital products and services.

Its objective is to leverage digital platforms and online channels to broaden customer reach and drive sustainable business growth.

Key activities include:

- Digital Product Marketing
- Online Business Development
- Customer Acquisition and Expansion
- Ecosystem Development

The Company has developed digital platforms and online channels such as:

- M365Center
- Digital Business Center

These platforms help connect customers, business partners, and technologies within a unified digital ecosystem.

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**Integrated Digital Ecosystem**

The Company believes that the integration of its five Digital Business Groups creates a significant competitive advantage, enabling it to deliver comprehensive digital transformation services across the entire value chain, including:

- Strategy and Consulting
- System Development and Integration
- Digital Platforms
- Workforce Development
- Business Ecosystem Creation

This holistic approach positions the Company to capture new opportunities and support sustainable growth in the emerging AI Economy and Digital Transformation landscape.

**Statement of Comprehensive income**

**UNIT : MILLION BAHT**

| STATEMENT OF COMPREHENSIVE INCOME | 3M | | | | 3M | | | 6M | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q2/26 | Q1/26 | YOY | % | Q2/25 | YOY | % | 6M 26 | 6M 25 | YOY | % |
| REVENUE FROM SALES | 7.14 | 7.07 | 0.07 | 0.99% | 9.78 | (2.64) | (26.99%) | 14.21 | 18.91 | (4.70) | (24.85%) |
| SERVICE FROM REVENUE | 19.34 | 22.03 | (2.69) | (12.21%) | 20.29 | (0.95) | (4.68%) | 41.37 | 45.36 | (3.99) | (8.80%) |
| TOTAL REVENUE | 26.48 | 29.10 | (2.62) | (9.00%) | 30.07 | (3.59) | (11.94%) | 55.58 | 64.27 | (8.69) | (13.52%) |
| COST OF SALES | (4.28) | (4.12) | (0.16) | 3.88% | (2.39) | (1.89) | 79.08% | (8.40) | (5.85) | (2.55) | 43.59% |
| COST OF SERVICE | (13.51) | (12.97) | (0.54) | 4.16% | (13.79) | 0.28 | (2.03%) | (26.49) | (27.13) | 0.64 | (2.36%) |
| TOTAL COST | (17.79) | (17.09) | (0.07) | 4.10% | (16.18) | (1.61) | 9.95% | (34.89) | (32.98) | (1.91) | 5.79% |
| GROSS PROFIT | 8.69 | 12.01 | (3.32) | (27.64%) | 13.89 | (5.20) | (37.44%) | 20.69 | 31.29 | (10.60) | (33.88%) |
| OTHER INCOME | 0.26 | 0.46 | (0.20) | (43.48%) | 0.09 | 0.17 | 188.89% | 0.72 | 0.16 | 0.56 | 350.00% |
| SELLING EXPENSES | (2.11) | (2.54) | 0.43 | (16.93%) | (2.03) | (0.08) | 3.94% | (4.65) | (3.81) | (0.84) | 22.05% |
| ADMINISTRATIVE EXPENSES | (9.02) | (8.57) | (0.45) | 5.25% | (9.33) | 0.31 | (3.32%) | (17.58) | (18.22) | 0.64 | (3.51%) |
| REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS | 0.07 | 0.05 | 0.02 | 40.00% | 0.08 | (0.01) | (12.50%) | 0.12 | 0.11 | 0.01 | 9.09% |
| FINANCE COSTS | (0.14) | (0.09) | (0.05) | 55.56% | (0.02) | (0.12) | 600.00% | (0.23) | (0.04) | (0.19) | 475.00% |
| PROFIT (LOSS) BEFORE INCOME TAX | (2.25) | 1.32 | (3.57) | (270.45%) | 2.68 | (4.93) | (183.96%) | (0.93) | 9.49 | (10.42) | (109.80%) |
| PROFIT (LOSS) FOR THE PERIOD | 0.45 | (0.25) | 0.70 | 280.00% | (0.53) | 0.98 | 184.91% | 0.20 | (1.90) | 2.10 | 110.53% |
| TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD | (1.80) | 1.07 | (2.87) | (268.22%) | 2.15 | (3.95) | (183.72%) | (0.73) | 7.59 | (8.32) | (109.62%) |

**<u>Overview of Operating Results for the Six-Month Period, Q2 2026</u>**

For the six-month period ended 30 June 2026, the Company reported total revenue of Baht 55.58 million, representing a decrease of Baht 8.69 million, or 13.52%, compared to the same period of the previous year. The decrease was mainly attributable to lower revenue from sales and services, resulting from market conditions, customers' postponement of investment in project implementations, and increased price competition from major market players.

As a result, the Company's gross profit decreased to Baht 20.69 million, a reduction of Baht 10.60 million, or 33.88%, compared to the same period of the previous year.

During the period, the Company continued to develop products under the Board of Investment (BOI) promotion program. These products were presented to customers and received positive market responses, generating revenue in the second quarter. In addition, the Company expanded sales of digital products together with solution-based offerings to provide customers with ready-to-use implementations. The Company also invested in its Digital Business Center, training center services, and specialized digital technology upskilling programs for executives and employees.

As these initiatives were in their initial development stage, associated costs increased during the period. Consequently, the Company recorded a net loss of Baht 0.73 million for the six-month period ended 30 June 2026, a decrease of Baht 8.32 million, or 109.62%, compared to the same period of the previous year.

**Revenue from sales**

For the six-month period ended 30 June 2026, the Company reported revenue from sales of Baht 14.21 million, representing a decrease of Baht 4.70 million, or 24.85%, compared to the same period of the previous year. The decline was primarily attributable to a 58.68% decrease in revenue from the Company's proprietary products.

However, revenue from the sale of Microsoft software products increased by 21.47%, while revenue from the distribution of hardware and other equipment increased significantly by 2,789.15% compared to the same period of the previous year.

During the second quarter, the Company introduced its Transformation+ product portfolio, comprising AI solutions developed under the Board of Investment (BOI) promotion program. These products have begun to receive positive market acceptance and contributed 7.53% of total sales revenue during the period.

**Revenue from services**

For the six-month period ended 30 June 2026, the Company reported service revenue of Baht 41.37 million, a decrease of Baht 3.99 million, or 8.80%, compared to the same period of the previous year.

The decrease was primarily due to a 12.28% reduction in digital system development service revenue and a 24.07% decline in revenue from other services. Nevertheless, revenue from system maintenance services increased by 2.01%, driven by the completion and delivery of digital system development projects and customers' continued confidence in the Company's ability to provide ongoing system support and maintenance.

In addition, the Company launched its Digital Business Center, serving as a learning hub and providing training and capability development programs in digital technology and artificial intelligence (AI). The initiative aims to support organizations in preparing their workforce to effectively adapt to evolving technological trends and digital transformation requirements.

**Other income**

For the six-month period ended 30 June 2026, the Company recorded other income of Baht 0.76 million, an increase of Baht 0.56 million, or 360.00%, compared to the same period of the previous year.
The increase was primarily attributable to interest income and prize winnings from Government Savings Bank (GSB) savings lottery deposits.

**Cost of Sales, Gross Profit from Sales, and Gross Profit Margin from Sales**

For the six-month period ended 30 June 2026, the Company recorded cost of sales of Baht 8.40 million, representing 59.11% of sales revenue. As a result, the gross profit margin from sales was 40.89%, decreasing by 28.18 percentage points compared to the same period of the previous year.
The decline was primarily attributable to a 58.68% decrease in the Company's sales revenue, equivalent to Baht 7.57 million, as customers postponed investment decisions regarding software procurement amid rapidly evolving AI technologies and changing market conditions.

In response to these market developments, the Company enhanced its product offerings by incorporating AI Agent, Microsoft Copilot, and Generative AI solutions into its portfolio to better address customers' digital transformation needs and changing technology requirements.

However, a significant portion of the Company's product costs consists of amortization expenses, which are recognized on a straight-line basis over the useful lives of the products. As such, these costs do not decrease immediately in line with lower sales revenue, resulting in a decline in the gross profit margin from sales during the period.

**Cost of Services, Gross Profit from Services, and Gross Profit Margin from Services**

For the six-month period ended 30 June 2026, the Company recorded cost of services of Baht 26.49 million, representing 64.03% of service revenue. Consequently, the gross profit margin from services was 35.97%, decreasing by 4.22 percentage points compared to the same period of the previous year.
The decrease was primarily attributable to increased cloud service expenses, which rose in line with the expansion of project-related service activities and customer deployments.

At the same time, the Company continued to enhance its operational efficiency by leveraging Artificial Intelligence (AI) technologies to support digital system development and improve workforce management. These initiatives helped optimize resource utilization and operational processes, partially mitigating the impact of rising service-related costs. Despite these efficiency improvements, the increase in cloud infrastructure expenses resulted in a lower gross profit margin from services compared to the same period of the previous year.

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## Selling Expenses

For the six-month period ending on On June 30, 2026, the Company had sales expenses of Baht 4.65 million. Percentage 8.73 of total revenue. An increase from the same period of the previous year. Quantity 0.84 Million Baht Percentage 22.05 From the addition of personnel in the sales department. And marketing costs are increasing.

## Administrative expenses

For the six-month period ending on June 30, 2026 The company has administrative expenses. 17.58 million baht. This was 31.63% of total revenue, down from the same period last year. Quantity 0.64 million baht Percentage 3.51 from the decrease in employee remuneration. Financial advisory fees, etc., and increased from the expansion of office space to give employees more space to work.

## Net Profit (Loss)

For the six-month period ending on June 30, 2026 The Company had a net loss of Baht 0.73 million. Decreased from the same period last year. 8.32 million baht. Accounting for 109.62 percent. This was due to a decrease in sales and service revenue.

## Statement of Financial Position

(Unit: Million Baht)

| Statement of Financial Position | Financial Statements as of | | Differences | Change |
|---|---|---|---|---|
| | 30 June 26 | 31 Dec 25 | | % |
| **Assets** | **176.01** | **175.13** | **0.88** | **0.05%** |
| **Liabilities** | **57.48** | **48.36** | **9.12** | **18.86%** |
| **Shareholders' Equity** | **118.53** | **126.77** | **(8.24)** | **6.54%** |

## Assets

As of 30 June 2026 The Company has total assets of Baht 176.01 million. Increase Quantity 0.88 million baht or 0.05 percentCompared to as of 31 December 2025 This is mainly due to

- Cash and cash equivalents decreased by Baht 14.28 million. This accounted for 42.19% of the investment in office expansion. Lease Liabilities and Dividend Payments
- Trade receivables and other current receivables – net increased by Baht 4.62 million. This was in line with the increase in job delivery and customer billing at the end of the period.
- Assets generated from contracts increased by Baht 5.56 million. This is 31.40% from the development of digital systems according to the progress of the work.

- Income tax assets of the current period. An increase of 1.38 million baht. This was due to an increase in withholding tax.
- Renovation of rental buildings and equipment increased by 0.86 million baht. This accounted for 54.66% from the expansion of office space and the provision of equipment to support operations.
- Right-of-use assets increased by Baht 1.72 million or 16.54% due to the signing of additional lease agreements to support business expansion and office expansion.

Overall The increase in assets reflects the expansion of the business and the planning of the expansion of operations in the Digital Business Center to become a learning center and provide training and development services for digital personnel. Technology and AI to support organizations to develop human resources to be ready to support changes in technology in resources to support future business plans.

**Liabilities**

As of 30 June 2026 The Company has a number of debts. 57.48 million baht Increase in number 9.13 Million Baht Percentage 18.87 Main causesFrom:

- Trade payables and other current payables An increase of 0.55 million baht. This is 7.47% of the cost of purchasing software and related services.
- Liabilities arising from contracts - revolving increased by Baht 5.22 million or 53.40% from prepayment for system and software maintenance services.
- Lease liabilities increased by Baht 1.78 million. This accounted for 17.09% from the lease agreement to support business expansion. Supporting the operation and expansion of business activities to support the Company's long-term business efficiency.
- Employee benefit obligations increased by 1.32 million baht. This was 6.66 percent due to the recognition of employee benefit costs due to the increase in working time.

However, The increase in debt is mainly in line with business operations, especially the receipt of advance payments, which reflects future revenue.

**Shareholders' Equity**

As of 30 June 2026 The company has shareholders' equity or owner's equity. Quantity 118.52 Million Baht Decreased by 8.25 Million Baht from the dividend payment of 7.35 million baht and the loss in the period.

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**Company Liquidity**

(Unit: Million Baht)

| List | Cash Flow Statement | |
|---|---|---|
| | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
| Net cash received from (used in) operating activities | (3.17) | 9.08 |
| Net cash received from (used in) investment activities | (2.20) | (0.77) |
| Net cash earned from (used in) financing activities | (9.06) | (15.83) |
| Cash and cash equivalents increased (decreased) net | (14.43) | (7.52) |
| Expected credit losses of cash and cash equivalents | 0.00 | 0.07 |
| Cash and cash equivalents at the beginning of the period | 34.20 | 35.44 |
| Cash and cash equivalents at the end of the period | **19.77** | **27.99** |

The Company's liquidity for the six-month period ended June 30, 2026 saw a net decrease of Baht 14.43 million in cash and cash equivalents. From the previous year, a net decrease of 7.52 million baht. This was mainly due to a decrease in cash flow from operating activities of Baht 3.17 million. This was in line with the decline in net profit and the increase in trade receivables and contractual assets, which net cash flows were used for investment activities amounting to Baht 2.20 million. Most of the money was paid in cash for the renovation of rental buildings and equipment amounting to 1.18 million baht. and the development of the company's software and products amounted to 1.15 million baht and cash flow from financing activities was 9.05 million baht. In the payment of dividends and repayment of debts under lease agreements.

**Key Financial Ratios**

| Financial Ratios | Unit | As of June 30, 2026 | As of December 31, 2025 | As of December 31, 2024 |
|---|---|---|---|---|
| Current Ratio | Fold | 4.71 | 6.41 | 3.21 |
| Debt to Equity (D/E Ratio) | Fold | 0.48 | 0.38 | 0.75 |
| Return on Assets (ROA) | Percentage | (4.40) | 5.27 | 14.28 |
| Cash Cycle (Days) | Day | (6) | (23) | 24 |
| Gross Profit Ratio | Percentage | 37.23 | 46.43 | 49.26 |
| Net profit ratio | Percentage | (1.31) | 7.67 | 12.10 |

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**Strategies and Business Direction for the Second Half of 2026**

In 2026, INDIGY Public Company Limited ("the Company" or "IDG") continues to pursue sustainable growth under its vision, **"Simplify Work, Amplify Innovation."** The Company remains committed to enhancing its organizational capabilities to support the transition toward an **AI-Driven Economy** and the accelerating adoption of **Digital Transformation** across Thai enterprises.

To achieve tangible business outcomes, the Company focuses on five strategic priorities:

1. Transforming the organization into an AI-Native Organization
2. Expanding integrated digital business opportunities and services
3. Accelerating the growth of the Transformation+ platform
4. Strengthening strategic partnerships and creating new growth opportunities
5. Increasing recurring revenue and enhancing long-term competitiveness

**1. Transforming the Organization into an AI-Native Organization**

The Company continues to invest in the development of its workforce and operating processes, enabling employees to leverage AI, automation, and digital tools to enhance productivity, reduce repetitive tasks, and support more effective business decision-making.

At the same time, the Company is fostering a culture of continuous learning, collaboration, and innovation to support long-term organizational growth and adaptability in an increasingly technology-driven business environment.

**2. Expanding Integrated Digital Business Opportunities and Services**

The Company sees significant opportunities arising from increasing investments in cloud computing, artificial intelligence, and digital platforms. Accordingly, it continues to strengthen collaborations with leading technology partners in Thailand and across the region to deliver comprehensive digital transformation solutions for both government and private sector organizations.

In addition, the Company plans to further expand its **Digital Business Center** and **Transformation+ Academy**, serving as centers for learning, consulting, and hands-on solution experiences. These initiatives are designed to help organizations adopt digital and AI technologies more effectively while creating new business opportunities for future growth.

**3. Accelerating the Growth of the Transformation+ Platform**

The Company places strategic importance on the continued development of **Transformation+**, its flagship platform and a BOI-promoted project, developed under the **AAA framework: Application, Automation, and Agents**.

Transformation+ is designed to address the needs of modern organizations by providing flexible, integrated, and AI-ready business solutions that can continuously evolve alongside technological advancements.

The platform is expected to become a key driver of future recurring revenue growth through subscription-based and AI-driven service models. The Company plans to develop industry-specific solutions for sectors including:

Healthcare, Retail, Smart Business, ESG, Enterprise Operations. Furthermore, the Company continues to collaborate closely with major cloud providers and technology partners to deliver comprehensive, enterprise-grade solutions that effectively address customer requirements.

### 4. Building a Strategic Partner Ecosystem and New Growth Opportunities

The Company intends to expand strategic alliances with both domestic and international partners to unlock new business opportunities and strengthen its capabilities in AI and Digital Transformation services.

The Company is actively pursuing collaboration models such as: Co-Innovation, Joint Solution Development, Industry Partnerships. Particular focus is being placed on high-growth sectors including:

- AI Transformation
- Smart Operations
- Intelligent Workplace Solutions
- Digital Community Platforms

In parallel, the Company is exploring opportunities to expand into Southeast Asian markets through strategic partnership models and collaborative service delivery with regional business networks.

### 5. Increasing Recurring Revenue and Long-Term Competitiveness

The Company remains committed to increasing the proportion of recurring revenue through:

- Subscription Services
- Managed Services
- Cloud Services
- Maintenance Services
- AI Platform Services

This strategy is expected to enhance revenue stability and strengthen long-term profitability.

At the same time, the Company continues to improve internal operational efficiency across key areas, including service delivery, resource allocation, AI-assisted operations, and project management processes. These initiatives are designed to support business expansion while maintaining high service standards for enterprise customers.

### Summary of the 2026 Strategic Direction

In summary, the Company's strategic priorities for the second half of 2026 focus on organizational transformation toward becoming an **AI-Native Company**, expanding integrated digital services, accelerating the growth of the **Transformation+** platform, strengthening strategic partner ecosystems, and increasing recurring revenue from digital products and services.

The Company believes these initiatives will enhance its long-term competitive position while supporting the development of AI-driven products and solutions. This strategic direction is expected to drive sustainable growth and create long-term value for shareholders.