PROEN Corp Public Company Limited and Subsidiaries

Management Discussion and Analysis Quarter 3 of 2026

Business overview

PROEN Corp Public Company Limited and its subsidiaries ("the Group") operate in the field of Information and Communication Technology (ICT), Internet Data Center (IDC), Internet Service Provider (ISP), and Cloud Services, collectively called ICT business, which constitutes the primary source of revenue. Additionally, the Group undertakes telecommunications and infrastructure project contracting services. The Group's key strategies include:

- Promoting comprehensive services by developing new products and services to meet the needs of existing customers, thereby enhancing value and building customer loyalty.
- Expanding the customer base within the telecommunications infrastructure sector.
- Increasing accessibility through the PROEN Power Partner Program and the PROEN Customer Loyalty Program.

Summary of Operating Results

For the nine-month period from January to September 2026, the Group recorded total revenue of Baht 293.55 million, representing a decrease of Baht 163.04 million, or 35.71%, compared with the corresponding period of the previous year. This decrease was primarily attributable to a decline in revenue from sales of Baht 42.32 million and revenue from services of Baht 18.67 million, resulting in a combined decrease in revenue from sales and services of Baht 60.99 million. The decrease was mainly due to the fact that, during the corresponding period of the previous year, the Company had secured several projects from government agencies, including projects for the procurement of machinery sets for water resource development, storm disaster response vehicles, mobile restroom vehicles, electric street sweepers, and water mist

spraying vehicles. Consequently, revenue from sales in the previous year was higher than that recorded in the current period. Nevertheless, during the third quarter of 2026, the Company's revenue from the sale of technology equipment increased. Revenue from services decreased primarily due to the completion of the project management services for a public service center in the first quarter of 2025. In addition, revenue from Information Data Center (IDC) services declined as a result of lower customer usage. However, the Company expanded its revenue base by increasing its provision of Government Data Center and Cloud Services (GDCC) for general information systems and Open Data services. Revenue from infrastructure projects decreased by Baht 102.05 million, as existing projects had gradually been completed during 2025. Nevertheless, the Company expected to recognize revenue from new projects in the fourth quarter of 2026 and continued to pursue new business opportunities. The Group recorded gross profit of Baht 80.39 million, representing a decrease of Baht 14.42 million, or 15.21%, compared with the corresponding period of the previous year. The decrease was primarily attributable to lower gross profit from sales, as the government projects secured in the previous year had generated higher gross profit margins than those derived from the sale of technology equipment. The Company recorded a net loss of Baht 39.06 million, primarily due to relatively high selling and administrative expenses. Nevertheless, the Company closely monitored and controlled these expenses. In addition, during the current period, the Company recognized other losses totaling Baht 15.70 million, which included a loss of Baht 2.41 million arising from the modification of the terms and conditions of its debentures. This loss resulted from the difference between the original carrying amount of the financial liability and the revised financial liability, which was calculated based on the present value of the modified contractual cash flows discounted using the original effective interest rate of the financial liability, with adjustments for related fees. The modifications to the debenture terms included an extension of the maturity date by two years and an increase in the interest rate from 7.00% per annum to 7.25% per annum. Furthermore, the Company recognized a loss of Baht 13.17 million from the fair value measurement of derivative contracts. Separately, the Company recognized an expected credit loss of Baht 6.19 million on contract assets.

For the three-month period from July to September 2026, the Group recorded total revenue of Baht 110.42 million, representing a decrease of Baht 55.12 million, or 33.30%, compared with the corresponding period of the previous year. This decrease was primarily attributable to a decline in revenue from sales of Baht 35.09 million and revenue from services of

Baht 3.41 million, resulting in a combined decrease in revenue from sales and services of Baht 38.50 million. The decrease was mainly due to the fact that, during the corresponding period of the previous year, the Company had secured several projects from government agencies, including projects for the procurement of storm disaster response vehicles, mobile restroom vehicles, electric street sweepers, and water mist spraying vehicles. Consequently, revenue from sales in the previous year was higher than that recorded in the current period. Nevertheless, during the third quarter of 2026, the Company's revenue from the sale of technology equipment increased. Revenue from services decreased primarily due to lower revenue from Information Data Center (IDC) services as a result of reduced customer usage. However, the Company expanded its revenue base by increasing its provision of Government Data Center and Cloud Services (GDCC) for general information systems and Open Data services. Revenue from infrastructure projects decreased by Baht 16.62 million, as existing projects had gradually been completed during 2025. Nevertheless, the Company expected to recognize revenue from new projects in the fourth quarter of 2026 and continued to pursue new business opportunities. The Group recorded gross profit of Baht 30.85 million, representing a decrease of Baht 12.05 million, or 28.09%, compared with the corresponding period of the previous year. The decrease was primarily attributable to lower gross profit from sales, as the government projects secured in the previous year had generated higher gross profit margins than those derived from the sale of technology equipment. The Company recorded a net loss of Baht 4.10 million, primarily due to relatively high selling and administrative expenses. Nevertheless, the Company closely monitored and controlled these expenses. In addition, during the third quarter of 2026, the Company recognized an expected credit loss of Baht 2.50 million on contract assets.

Business Operation Analysis

The cumulative performance comparison for the nine-month periods ending on September 30, 2026, and 2025, can be summarized as follows:

Operating Result (Unit : million Baht)	Quarter 3/2026 (Jan - Sep)		Quarter 3/2025 (Jan - Sep)		Change YoY	
	MB.	%	MB.	%	Increase (Decrease)	%
Total revenues	293.55	100.00%	456.59	100.00%	(163.04)	(35.71%)
Total costs	(213.16)	(72.61%)	(361.78)	(79.24%)	(148.62)	41.08%
Gross profit	80.39	27.39%	94.81	20.76%	(14.42)	(15.21%)
Gain (loss) on sale of investment	(0.37)	(0.13%)	52.15	11.42%	52.52	100.00%
Other income	2.25	0.77%	1.35	0.30%	0.90	66.67%
Distribution costs	(22.74)	(7.75%)	(18.23)	(3.99%)	4.51	(24.74%)
Administrative expenses	(71.48)	(24.35%)	(82.39)	(18.04%)	(10.91)	13.24%
Other gains (losses)	(15.70)	(5.35%)	3.96	0.01	19.66	496.46%
(Loss) profit from operations	(27.65)	(9.42%)	51.65	11.31%	(79.30)	153.53%
Finance costs	(15.10)	(5.14%)	(19.47)	(4.26%)	(4.37)	22.44%
Share of loss of an associate accounted for using the equity method	-	-	(4.32)	(0.95%)	(4.32)	(100.00%)
Profit (loss) before income tax (expense) income	(42.75)	(14.56%)	27.86	6.10%	(70.61)	253.45%
Income tax (expense) income	3.69	1.26%	(8.56)	(1.87%)	12.25	(143.11%)
Profit (loss) for the periods	(39.06)	(13.31%)	19.30	4.23%	(58.36)	302.38%

The performance comparison for the three-month periods ending September 30, 2026, and 2025, can be summarized as follows:

Operating Result (Unit: million Baht)	Quarter 3/2026 (Jul - Sep)		Quarter 3/2025 (Jul - Sep)		Change YoY	
	MB.	%	MB.	%	Increase (Decrease)	%
Total revenues	110.42	100.00%	165.54	100.00%	(55.12)	(33.30%)
Total costs	(79.57)	(72.06%)	(122.64)	(74.08%)	(43.07)	35.12%
Gross profit	30.85	27.94%	42.90	25.92%	(12.05)	(28.09%)
Other income	1.10	1.00%	(0.02)	(0.01%)	1.12	(5,600.00%)
Distribution costs	(7.63)	(6.91%)	(5.12)	(3.09%)	2.51	(49.02%)
Administrative expenses	(24.42)	(22.12%)	(31.16)	(18.82%)	(6.74)	21.63%
Other gains (losses)	0.07	0.06%	1.21	0.73%	(1.14)	(94.21%)
(Loss) profit from operations	(0.03)	(0.03%)	7.81	4.72%	(7.84)	100.38%
Finance costs	(4.40)	(3.98%)	(5.75)	(3.47%)	(1.35)	23.48%
Profit (loss) before income tax (expense) income	(4.43)	(4.01%)	2.06	1.24%	(6.49)	315.05%
Income tax income (expense)	0.33	0.30%	(1.75)	(1.06%)	2.08	(118.86%)
Profit (loss) for the periods	(4.10)	(3.71%)	0.31	0.19%	(4.41)	1,422.58%

Revenue, Cost, and Gross Profit

Operating Result (Unit: million Baht)	Revenue				Cost				Gross Profit			
	Jan - Sep 2026 (9 months)	Jan - Sep 2025 (9 months)	Increase (Decrease)	%	Jan - Sep 2026 (9 months)	Jan - Sep 2025 (9 months)	Increase (Decrease)	%	Jan - Sep 2026 (9 months)	Jan - Sep 2025 (9 months)	Increase (Decrease)	%
ICT Business:												
Revenues from sales of goods	87.11	129.43	(42.32)	(0.33)	79.33	108.76	(29.43)	(0.27)	7.78	20.67	(12.89)	(0.62)
Revenues from rendering of services	205.55	224.22	(18.67)	(8.33%)	129.49	146.35	(16.86)	(11.52%)	76.06	77.87	(1.81)	(2.32%)
Total revenue from ICT business	**292.66**	**353.65**	**(60.99)**	**(17.25%)**	**208.82**	**255.11**	**(46.29)**	**(18.15%)**	**83.84**	**98.54**	**(14.70)**	**(14.92%)**
Infrastructure construction business:												
Revenues from construction contracts	0.89	102.94	(102.05)	(99.14%)	4.34	106.67	(102.33)	(95.93%)	(3.45)	(3.73)	0.28	(7.51%)
Total revenue from main business	**293.55**	**456.59**	**(163.04)**	**(35.71%)**	**213.16**	**361.78**	**(148.62)**	**(41.08%)**	**80.39**	**94.81**	**(14.42)**	**(15.21%)**

Operating Result (Unit: million Baht)	Revenue				Cost				Gross Profit			
	Jul - Sep 2026 (3 months)	Jul - Sep 2025 (3 months)	Increase (Decrease)	%	Jul - Sep 2026 (3 months)	Jul - Sep 2025 (3 months)	Increase (Decrease)	%	Jul - Sep 2026 (3 months)	Jul - Sep 2025 (3 months)	Increase (Decrease)	%
ICT Business:												
Revenues from sales of goods	39.63	74.72	(35.09)	(46.96%)	35.97	60.08	(24.11)	(40.13%)	3.66	14.64	(10.98)	(75.00%)
Revenues from rendering of services	70.70	74.11	(3.41)	(4.60%)	43.44	43.63	(0.19)	(0.44%)	27.26	30.48	(3.22)	(10.56%)
Total revenue from ICT business	**110.33**	**148.83**	**(38.50)**	**(25.87%)**	**79.41**	**103.71**	**(24.30)**	**(23.43%)**	**30.92**	**45.12**	**(14.20)**	**(31.47%)**
Infrastructure construction business:												
Revenues from construction contracts	0.09	16.71	(16.62)	(99.46%)	0.16	18.93	(18.77)	(99.15%)	(0.07)	(2.22)	2.15	(96.85%)
Total revenue from main business	**110.42**	**165.54**	**(55.12)**	**(33.30%)**	**79.57**	**122.64**	**(43.07)**	**(35.12%)**	**30.85**	**42.90**	**(12.05)**	**(28.09%)**

Revenue

For the nine-month period from January to September 2026, the Company recorded total revenue from its core businesses of Baht 293.55 million, representing a decrease of Baht 163.04 million, or 35.71%, compared with the corresponding period of the previous year. This decrease was primarily attributable to a decline in revenue from sales of Baht 42.32 million and revenue from services of Baht 18.67 million, resulting in a combined decrease in revenue from sales and services of Baht 60.99 million. The decrease was mainly due to the fact that, during the corresponding period of the previous year, the Company had secured several projects from government agencies, including projects for the procurement of machinery sets for water resource development, storm disaster response vehicles, mobile restroom vehicles, electric street sweepers, and water mist spraying vehicles. Consequently, revenue from sales in the previous year was higher than that recorded in the current period. Nevertheless, during the third quarter of 2026, the Company's revenue from the sale of technology equipment increased. Revenue from services decreased primarily due to lower revenue from project management services for a public service center, which had been provided during the first quarter of 2025. In addition, revenue from Information Data Center (IDC) services declined as a result of reduced customer usage. However,

the Company expanded its revenue base by increasing its provision of Government Data Center and Cloud Services (GDCC) for general information systems and Open Data services. Revenue from infrastructure projects decreased by Baht 102.05 million, as existing projects had gradually been completed during 2025. Nevertheless, the Company expected to recognize revenue from new projects in the fourth quarter of 2026 and continued to pursue new business opportunities.

For the three-month period from July to September 2026, the Company recorded total revenue from its core businesses of Baht 110.42 million, representing a decrease of Baht 55.12 million, or 33.30%, compared with the corresponding period of the previous year. Revenue from sales decreased by Baht 35.09 million, while revenue from services declined by Baht 3.41 million, resulting in a combined decrease in revenue from sales and services of Baht 38.50 million. The decrease was mainly due to the fact that, during the corresponding period of the previous year, the Company had secured several projects from government agencies, including projects for the procurement of storm disaster response vehicles, mobile restroom vehicles, electric street sweepers, and water mist spraying vehicles. Consequently, revenue from sales in the previous year was higher than that recorded in the current period. Nevertheless, during the third quarter of 2026, the Company's revenue from the sale of technology equipment increased. Revenue from services decreased primarily due to lower revenue from Information Data Center (IDC) services as a result of reduced customer usage. However, the Company expanded its revenue base by increasing its provision of Government Data Center and Cloud Services (GDCC) for general information systems and Open Data services. Revenue from infrastructure projects decreased by Baht 16.62 million, as existing projects had gradually been completed during 2025. Nevertheless, the Company expected to recognize revenue from new projects in the fourth quarter of 2026 and continued to pursue new business opportunities.

Cost of Sales and Gross Profit

For the nine-month period from January to September 2026, the Company recorded total costs of Baht 213.16 million, representing a decrease of Baht 148.62 million, or 41.08%, in line with the decline in revenue. The Company's gross profit decreased by Baht 14.42 million, or 15.21%, primarily due to lower gross profit from sales, as the government projects secured in the

previous year had generated higher gross profit margins than those derived from the sale of technology equipment, which increased during the current period.

For the three-month period from July to September 2026, the Company recorded total costs of Baht 79.57 million, representing a decrease of Baht 43.07 million, or 35.12%, in line with the decline in revenue. The Company's gross profit decreased by Baht 12.05 million, or 28.09%, primarily due to lower gross profit from sales, as the government projects secured in the previous year had generated higher gross profit margins than those derived from the sale of technology equipment, which increased during the current period.

Gain (loss) on sale of investment

For the nine-month period ended September 30, 2026, the Company recognized a loss arising from the disposal of 12,800 ordinary shares of Jumpbox Co., Ltd. at a selling price of Baht 1 per share, for a total consideration of Baht 12,800. Following the disposal, the Company's shareholding interest decreased to 19%, and the Company recognized a loss on loss of control of Baht 0.37 million. For the corresponding periods of the previous year, the Company recognized a gain on the disposal of an investment in an associate of Baht 52.15 million. The gain arose from the Company's entry into an agreement to sell all of its ordinary shares in Seashore Data Center and Cloud Services Co., Ltd., representing a 30% shareholding interest, to an existing shareholder for a total consideration of Baht 290.00 million.

Distribution Costs and Administrative Expenses

For the nine-month period from January to September 2026, the Company recorded distribution costs of Baht 22.74 million, representing an increase of Baht 4.51 million, or 24.74%, compared with the corresponding period of the previous year. Administrative expenses amounted to Baht 71.48 million, representing a decrease of Baht 10.91 million, or 13.24%, primarily due to more effective expense management and cost control measures.

For the three-month period from July to September 2026, the Company recorded distribution costs of Baht 7.63 million, representing an increase of Baht 2.51 million, or 49.02%, compared with the corresponding period of the previous year. This increase was primarily attributable to the expansion of the Company's revenue base through the provision of Government

Data Center and Cloud Services (GDCC) for general information systems and Open Data services, which resulted in higher distribution costs. Administrative expenses amounted to Baht 24.42 million, representing a decrease of Baht 6.74 million, or 21.63%, primarily due to more effective expense management and cost control measures.

Other gains (losses)

For the nine-month period from January to September 2026, the Company recognized other losses totaling Baht 15.70 million, which included a loss of Baht 2.41 million arising from the modification of the terms and conditions of its debentures. This loss resulted from the difference between the original carrying amount of the financial liability and the revised financial liability, which was calculated based on the present value of the modified contractual cash flows discounted using the original effective interest rate of the financial liability, with adjustments for related fees. The modifications to the debenture terms included an extension of the maturity date by two years and an increase in the interest rate from 7.00% per annum to 7.25% per annum. In addition, the Company recognized a loss of Baht 13.17 million from the fair value measurement of derivative contracts.

For the three-month period from July to September 2026, the Company recognized other losses totaling Baht 0.07 million.

Finance costs

For the nine-month period from January to September 2026, the Company recorded finance costs of Baht 15.10 million, representing a decrease of Baht 4.37 million, or 22.44%, compared with the corresponding period of the previous year. Finance costs primarily consisted of interest expenses on debentures, which decreased as a result of partial repayments of the outstanding debentures, leading to lower interest expenses.

For the three-month period from July to September 2026, the Company recorded finance costs of Baht 4.40 million, representing a decrease of Baht 1.35 million, or 23.48%, compared with the corresponding period of the previous year. Finance costs primarily consisted of interest expenses

on debentures, which decreased as a result of partial repayments of the outstanding debentures, leading to lower interest expenses.

Share of loss of an associate accounted for using the equity method

For the nine-month period ended September 30, 2025, the Company recognized a share of loss of Baht 4.32 million from its 30% equity interest in Seashore Data Center and Cloud Services Co., Ltd., an associate accounted for using the equity method. The Company disposed of its entire shareholding in the associate on April 21, 2025.

Income tax (expense) income

For the nine-month period from January to September 2026, the Company recognized income tax income of Baht 3.69 million. For the three-month period from July to September 2026, the Company recognized income tax income of Baht 0.33 million.

Statement of Financial Position

Statement of Financial Position (Unit: million Baht)	30 Sep 26	31 Dec 25	Increase (decrease)	%Increase (decrease)
Assets				
Current assets	763.32	853.09	(89.77)	(10.52%)
Non-current assets	397.59	404.91	(7.32)	(1.81%)
Total assets	**1,160.91**	**1,258.00**	**(97.09)**	**(7.72%)**
Liabilities and Equity				
Current liabilities	451.30	602.72	(151.42)	(25.12%)
Non-current liabilities	165.09	67.84	97.25	143.35%
Total liabilities	**616.39**	**670.56**	**(54.17)**	**(8.08%)**
Equity	544.52	587.44	(42.92)	(7.31%)
Total liabilities and equity	**1,160.91**	**1,258.00**	**(97.09)**	**(7.72%)**

As of September 30, 2026, the Company had total assets of Baht 1,160.91 million, representing a decrease of Baht 97.09 million, or 7.72%, compared with the previous year. The decrease was primarily attributable to a reduction in cash and cash equivalents resulting from the repayment of debentures totaling Baht 100 million. Total liabilities decreased by Baht 54.17 million, or 8.08%, primarily due to the repayment of debentures totaling Baht 100 million. However, trade

and other current payables increased by Baht 20.51 million, while contract liabilities increased by Baht 41.57 million.

As of September 30, 2026, the Company had granted a loan to Gateway Service Co., Ltd. under a loan facility of Baht 25 million, bearing interest at a rate of 8% per annum, with a loan term of three years from September 30, 2025, to September 30, 2028. The first installment of Baht 3 million was due on March 31, 2026, and the Company received full repayment on April 3, 2026. The second installment of Baht 1.60 million was due on June 30, 2026, and the Company received full repayment on July 20, 2026. The third installment of Baht 1.60 million was due on September 30, 2026, and the Company received full repayment on October 29, 2026.

Statement of Cash Flows

Statement of Cash Flows (Unit : million Baht)	30 Sep 26	30 Sep 25	Increase (decrease)	%Increase (decrease)
Net cash (used in) provided by operating activities	(10.51)	(40.57)	30.06	(74.09%)
Net cash provided by (used in) investing activities	(13.29)	303.40	(316.69)	(104.38%)
Net cash used in financing activities	(131.07)	(84.36)	(46.71)	55.37%
Net increase in cash and cash equivalents	**(154.87)**	**178.47**	**(333.34)**	**(186.78%)**
Opening balance of cash and cash equivalents	391.03	176.61	214.42	121.41%
Closing balance of cash and cash equivalents	**236.16**	**355.08**	**(118.92)**	**(33.49%)**

As of 30 September 2026, the Group had cash and cash equivalents of Baht 236.16 million. Net cash used in operating activities amounted to Baht 10.51 million, primarily due to an increase in inventories of Baht 71.56 million to support investments in new projects. However, trade payables and contract liabilities increased by Baht 61.09 million. Net cash used in investing activities amounted to Baht 13.29 million, primarily due to cash payments for the acquisition of equipment and intangible assets totaling Baht 24.58 million, cash payments for investments in subsidiaries of Baht 2.62 million, and a decrease in cash of Baht 1.11 million resulting from the loss of control over a subsidiary. However, these cash outflows were partially offset by a decrease in pledged deposits at financial institutions of Baht 9.20 million, cash receipts from repayments of loans to other entities of Baht 4.60 million, and interest received of Baht 1.22 million. Net cash

used in financing activities amounted to Baht 131.07 million, primarily due to repayments of debentures, including related transaction costs, totaling Baht 103.51 million, as well as net repayments of borrowings from financial institutions of Baht 17.43 million.

Sustainability Development

The Company has a policy to operate its business with the belief that long-term success requires ethical management and adherence to good corporate governance principles, as well as a focus on sustainable growth. This involves balancing economic, social, and environmental considerations. Social responsibility is a key focus for the Group, which is firmly committed to collaborating with stakeholders while considering potential impacts on shareholders, employees, customers, partners, and surrounding communities. The Company also fosters and encourages employees to be socially responsible by participating in activities that benefit society, continuously caring for and preserving the environment sustainably. This approach aligns with the principles set forth by the Stock Exchange of Thailand, driven by a commitment to sustainable business practices.

Strategy	Tactic
Develop products, innovations, and advanced technologies to meet the diverse needs of customers.	Elevate customer collaboration to a partnership level to deliver valuable products and services to the market.
	Design and gather insights information to analyze and accurately meet customer needs.
Enhance the potential of people to align with the business's sustainability direction.	Encourage the development of individual skills for employees to design innovative products that appropriately meet the diverse needs of customers.
	Promote behaviors and enhance employee knowledge to improve work processes that align with eco-efficiency goals.
Manage energy use within the organization to achieve eco-efficiency.	Encourage the use of alternative energy within the organization.
	Promote the use of environmentally friendly materials.