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Interroyal Engineering

Interroyal Engineering Public Company Limited
บริษัท อินเตอร์รอแยล เอ็นจิเนียริ่ง จำกัด (มหาชน)
Tax ID. NO. 0107566000691 (Head Office)

November 10, 2026

Subject: Operating Results for the 3rd Quarter of 2026 ended September 30, 2026

To: President
The Stock Exchange of Thailand

Interroyal Engineering Public Company Limited and its subsidiaries (the "Company") hereby submit the Management Discussion and Analysis of the operating results based on the consolidated financial statements for the nine-month period ended September 30, 2026 approved by the Board of Directors' Meeting No. 4/2026 held on November 10, 2026, as follows:

Summary of Operating Results for the Nine-Month Period Ended September 30, 2026

Operating results	9 months of 2026		9 months of 2025		increased (decreased)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales	162.01	54%	101.62	47%	60.39	59%
Revenues from sales with installation	109.35	42%	211.10	49%	(101.75)	(48%)
Total Operating Revenues	**271.36**	**95%**	**312.72**	**95%**	**(41.36)**	**(13%)**
Other income	14.32	5%	12.69	5%	1.63	13%
Total revenues	**285.68**	**100%**	**325.42**	**100%**	**(39.73)**	**(12%)**
Cost of sales	86.85	54%	54.24	53%	32.61	60%
Cost of sales with installation	74.97	68%	133.30	63%	(58.33)	(44%)
Total Operating Costs	161.82	60%	187.54	60%	(25.72)	(14%)
Gross Profit	**109.54**	**40%**	**125.18**	**40%**	**(15.64)**	**(12%)**
Distribution costs	4.44	2%	3.11	1%	1.33	43%
Administrative expenses	23.0	8%	19.36	8%	3.64	19%
Profit from Operation	**96.42**	**34%**	**115.40**	**34%**	**(18.98)**	**(16%)**
Finance costs	0.24	0%	1.00	1%	(0.76)	(76%)
Profit before income tax	96.18	34%	114.40	35%	(18.22)	(16%)
Income tax	18.96	7%	20.91	6%	(1.95)	(9%)
Profit for the period	**77.22**	**27%**	**93.49**	**29%**	**(16.27)**	**(17%)**

Analysis of Operating Results for the Consolidated Financial Statements

- Operating Revenues

For the nine-month period of 2026, the Company recognized total operating revenues of 271.36 million baht. This included 162.01 million baht in revenues from Sale which increased of 60.39 million baht or 59%, compared to the same nine-month period in 2025. This growth is attributed to the expansion of the Company's customer base, as well as a continuous increase in order volumes from existing customers. Revenue from sales with installation amounted to 109.35 million baht decreasing in 101.75 million baht or 48%. This is because some project-based sales with installation start and recognized the project through the year 2025 and fully completed in the first quarter of 2026.

- Operating Costs

The Company has operating costs which is comprising the cost of sales and the cost of sales with installation totalled 161.82 million baht for the nine-month period of 2026, representing 60% of its core revenues. The cost of sales has increased of 32.61 million baht or 60% compared to the nine-month period of 2025, which aligns with the continuous growth in revenue from sales, driven by consistent increases in orders from existing customers and the customer base has expanded. The cost of sales with installation has decreased by 58.33 million baht or 44% compared to the nine-month period of 2025. This is because some project-based sales with installation start and recognized the project throughout the year 2025 and fully completed in the first quarter of 2026.

- Selling and Administrative Expenses

Selling and administrative expenses for the nine-month period of 2026 totaled 27.44 million baht increasing in 4.97 million baht or 22% due to the Company's preparations and efforts to expand its business capabilities, including personnel, promotions, and necessary resources. This is to support the growth of the customer base and new projects in the future. Currently, the Company has projects under bidding and proposal and confirmed backlog of more than 634 million baht, which will provide opportunities for revenue generation and support the Company's growth moving forward.

- Net Profit

The Company has net profit for the nine-month period of 2026 totaled 77.22 million baht, representing 27% of its core revenues which decrease compared to the nine-month period of 2025.

Key Financial Ratios for the Consolidated Financial Statements as at September 30, 2026

Key Financial Ratios	September 30, 2026	December 31, 2025	increased (decreased)	
Return on Assets	11.84%	23.26%	(11.42%)	(49%)
Return on Equity	12.75%	24.01%	(11.26%)	(47%)
Liquidity Ratio (times)	18.44	10.09	8.35	83%
Quick Ratio (times)	17.27	9.15	8.12	89%
Debt to Equity Ratio (times)	0.05	0.10	(0.05)	(50%)
Interest Coverage Ratio	405.09%	163.26%	241.83%	148%

Most of the Company's key financial ratios have shown significant improvement including the liquidity ratios, the debt-to-equity ratio, and the interest coverage ratio which is reflecting a stronger financial position driven by a substantial reduction in debt and a marked increase in the Company's capacity to meet its interest payments. However, the return on assets and on shareholders' equity have declined, as there were two dividend payments totaling 128.9 million baht during the year, alongside a decrease in net profit for the period.

Continuous committed and sustainable future growth

The Company recognizes the importance of business expansion driven by ongoing projects from existing clients (recurring income) as well as opportunities to broaden its client base. As of September 30, 2026, the Company has backlog on hand over 634 million baht.

In 2026, the Company will be well-positioned to expand into sectors with the potential for long-term revenues generation. These include four core business segments: communications, smart solutions, and advanced defense technology; support services for the oil and gas industry; environmental management support; and future-oriented, innovative energy solutions.

This business expansion will strengthen the Company's business ecosystem, enhance its competitiveness, and drive sustainable growth. The Company currently has projects ready for competitive bidding in the 4th quarter of 2026 and throughout 2027.