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PRO INSIDE Public Company Limited

Management Discussion and Analysis

For the nine-month period ended September 30, 2025

November 14, 2025

Subject: Management Discussion and Analysis for the 3rd quarter 2025
To: President The Stock Exchange of Thailand
Attachment: A copy of the financial statements for the nine-month period ended September 30, 2025 (1 set)

Pro Inside Public Company Limited (the “Company”) hereby submits the financial statements for the six-month period ended September 30, 2025, 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:

Economic and Industry Conditions Impacting Operations

In the third quarter of 2025, both domestic and global economic conditions remained uncertain. In Thailand, the economy showed signs of slowing, particularly in private consumption and investment, despite growth in exports supported by the electronics and electric vehicle (EV) manufacturing sectors. Overall economic expansion remained modest and warranted close monitoring. The Bank of Thailand maintained its policy rate at the current level and signaled a stance that favors “supporting recovery” rather than tightening further, with potential room for rate cuts should economic conditions allow. Accordingly, the Company focused on prudent capital structure management, emphasizing control of borrowing costs in line with operating cash flows, and implemented prepayment planning to mitigate long-term interest rate risks.

The Information and Communication Technology (ICT) industry continued to expand, supported by the government’s ongoing digital economy policies. Projects related to digital infrastructure, smart cities, and electronic government (e-Government) have become more concrete and entered active implementation stages. However, the market remains highly competitive, particularly from international players in Cloud, AI, and Big Data solutions, who continue to offer advanced technologies at increasingly competitive pricing.

During this quarter, the Company continued to prioritize the development and delivery of solutions that address customer needs efficiently and cost-effectively, such as AI-driven Security, Cloud-based Data Management, and IT Outsourcing services aimed at reducing costs and improving operational efficiency. The Company also expanded its collaboration with leading global technology partners to enhance service quality and strengthen its competitive positioning.

On external factors, the United States’ import tariff measures became clearer during the quarter, with increases applied to certain product categories from specific countries. Based on the Company’s assessment, the direct impact on Thailand and on the Company’s business remains limited, as the Company primarily imports equipment rather than exporting goods subject to higher tariff rates. Nevertheless, the Company continues to closely monitor global trade policy developments, as future adjustments could indirectly affect equipment procurement costs and logistics expenses.

With proactive strategic execution and comprehensive risk management, the Company remains confident in its ability to navigate challenges and capture emerging business opportunities, thereby sustaining steady and sustainable growth throughout 2025.

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 nine-month period ended September 30, 2025

Unit: million Baht	Q3 2025	Q2 2025	Q3 2024	QoQ (%)	YoY (%)	9M 2025	9M 2024	YoY (%)
Total Revenue	996	812	399	23%	150%	2,435	989	146%
Net Profit	80	80	24	0.3%	237%	233	68	243%
Basic Earnings per Share (Baht/Share)	0.15	0.15	0.06	0%	150%	0.44	0.17	159%

Net Profit

In the third quarter of 2025, the Company recorded total revenue of THB 996 million, an increase of THB 597 million or 150% compared to the same quarter of the previous year, and an increase of THB 183 million or 23% from the previous quarter. The growth was mainly driven by revenue recognition from large-scale projects delivered during the quarter, particularly government projects related to information technology systems and digital infrastructure, which had high contract values and continued from the previous quarter. As a result, the Company reported a net profit of THB 80 million in Q3/2025, an increase of THB 56 million or 237% year-on-year, and remained close to the profit level recorded in Q2/2025.

Revenue

Unit: million Baht	Q3 2025	Q2 2025	Q3 2024	QoQ (%)	YoY (%)	9M 2025	9M 2024	YoY (%)
Revenue from System Integration Services	569	589	271	-3%	110%	1,507	500	201%
Revenue from Sales	192	-	1	-	27,314%	192	8	2,332%
Revenue from Services	235	222	127	6%	85%	736	481	53%
Total Revenue	996	811	399	23%	150%	2,435	989	146%

Revenue from System Integration Services

In Q3/2025, the Company recorded revenue from System Integration Services of THB 569 million, a slight decrease of THB 21 million or 3% from the previous quarter, but an increase of THB 298 million or 110% compared to the same period of the previous year. The increase was mainly driven by continued revenue recognition from large-scale government projects under implementation, as well as partial project deliveries during the quarter. Major projects included:

- The development of the National Health Cloud System for Thailand – Activity 1: Development of a Health Data Exchange Management System for the Office of the National Digital Economy and Society Commission.
- The procurement, development, installation, and maintenance of an Enterprise Resource Planning (ERP) system.

Revenue from Services

In Q3/2025, the Company recorded service revenue of THB 235 million, an increase of THB 13 million or 6% from the previous quarter, and an increase of THB 108 million or 85% compared to the same period of the previous year. The growth was mainly due to revenue recognition from ongoing maintenance service contracts (MA) with government clients, as well as IT and digital security system services for major public sector projects, which had expanded in both scope and service duration compared to the previous year. Key service contracts included:

- Rental contract for the Bus Operation Monitoring (GPS) system with installation for the Bangkok Mass Transit Authority.
- Maintenance service contract for the Core Business Application System and related system integration.
- Maintenance service contract for the Automated License Plate Recognition (ALPR) system, the Mobile ALPR system, and the central server room system for the fiscal year 2025.

Cost

Unit: Million Baht	Q3 2025	Q2 2025	Q3 2024	QoQ (%)	YoY (%)	9M 2025	9M 2024	YoY (%)
Cost of System Integration Services	450	462	232	-3%	94%	1,168	509	130%
Cost of Sales	183	-	1	-	65,179%	183	8	2,213%
Cost of Services	206	190	96	8%	115%	728	354	106%
Total Cost	839	652	329	29%	155%	2,079	870	139%
Gross Profit	157	159	70	-1%	124%	455	217	110%
Gross Profit Margin (%)	15.8	19.6	17.6			18.7	21.8	

Total Cost

In Q3/2025, the Company recorded total costs of THB 839 million, an increase of THB 510 million or 155% compared to THB 329 million in the same quarter of the previous year. The overall gross profit margin decreased from 17.6% in Q3/2024 to 15.8% in Q3/2025, mainly due to the following factors:

- **Cost of System Integration Services** increased at a higher proportion than the corresponding revenue growth, primarily because the projects recognized in Q3/2025 had lower gross margins compared to those recognized in the same period of the previous year. This was mainly attributable to the nature of large-scale projects undertaken during the quarter, which involved a higher proportion of equipment and installation costs.
- **Cost of Services** also increased in line with higher service revenue, as the Company expanded the scope of maintenance and IT support services for multiple government agencies. This resulted in higher personnel expenses and operating costs, rising at a faster pace than service revenue growth.

Selling, Administrative Expenses, and Finance Costs

Unit: Million Baht	Q3 2025	Q2 2025	Q3 2024	QoQ (%)	YoY (%)	9M 2025	9M 2024	YoY (%)
Selling Expenses	13	13	13	2%	-0.2%	40	41	-3%
Administrative Expenses	24	36	24	-34%	-1%	90	80	12%
Finance Costs	17	12	5	42%	242%	41	15	182%
Total Expenses	54	61	42	-11%	28%	170	135	26%
Expense Ratio to Revenue (%)	5.4	7.5	10.6			7.0	13.7	

In Q3/2025, the Company recorded total operating expenses of THB 54 million, an increase of THB 12 million or 28% compared to THB 42 million in the same quarter of the previous year. The increase was primarily driven by the following factors:

- **Finance Costs** increased by THB 12 million, from THB 5 million in Q3/2024 to THB 17 million in Q3/2025, due to higher borrowings to provide working capital and support the execution of large-scale projects awarded during the second half of the year.
- **Administrative Expenses** slightly increased in line with business expansion and the growing number of projects, consistent with the rise in personnel and management-related costs.

Summary of Financial Position

As of September 30, 2025, the Company had total assets of THB 3,552 million, an increase of THB 1,798 million, or 102%, from THB 1,755 million as of December 31, 2024. The increase was mainly due to trade and other receivables, which rose by THB 1,321 million from the recognition of revenue from large-scale projects under billing during the period. In addition, project advances increased by THB 322 million, following the pre-procurement of equipment and services for projects scheduled for implementation in the second half of the year. Meanwhile, contract assets remained at a similar level to the end of 2024, reflecting continuous revenue recognition in line with project progress. Inventories decreased by THB 51 million as materials and equipment were utilized for projects delivered in the previous quarter, while restricted deposits increased by THB 95 million to serve as collateral for bid bonds and performance guarantees for new projects.

Total liabilities stood at THB 2,547 million, an increase of THB 1,119 million, or 78%, from the end of 2024. The increase was primarily attributable to a rise in short-term bank borrowings, which grew by THB 760 million to provide working capital for ongoing large-scale projects, and an increase in trade and other payables of THB 346 million resulting from procurement of equipment and services for such projects. Contract liabilities and long-term liabilities showed minor changes consistent with the normal course of project execution.

Total shareholders' equity as of September 30, 2025, was THB 1,005 million, an increase of THB 679 million, or 208%, from the end of 2024. The increase was mainly due to proceeds from the initial public offering (IPO) of 170 million ordinary shares at THB 3.00 per share, completed in Q1/2025, as well as accumulated profit growth from strong operating performance during the first nine months of the year.

Key Financial Ratios

Financial Ratio	Q3/2025	Q4/2024	Q3/2024
Liquidity Ratios			
Current Ratio	1.3	1.0	1.2
Quick Ratio	0.8	0.8	0.9
Activity Ratios			
Average Collection Period (Days)	68	37	72
Leverage Ratios			
Debt to Equity Ratio	2.5	4.4	2.1
Interest Coverage Ratio	7.9	7.9	6.4
Debt Service Coverage Ratio	-	9.4	-
Profitability Ratios			
Return on Asset (ROA)	9.4	12.8	4.0
Return on Equity (ROE)	23.2	23.4	26.2

1. Liquidity Ratios

In Q3/2025, the Company's current ratio stood at 1.3 times, reflecting an adequate level of liquidity to support business operations and meet short-term obligations. The quick ratio was 0.8 times, slightly lower than the previous quarter, mainly due to an increase in project advances and contract assets, which have not yet generated immediate cash inflows. The Company has continued to manage its liquidity prudently by accelerating billing and collection processes, implementing effective project cost control, and managing credit facilities in line with operating cash inflows to maintain a stable liquidity position and support the Company's ongoing business expansion.

2. Activity Ratios

In Q3/2025, the Company's average collection period (ACP) was 68 days, a slight improvement from 72 days in both Q2/2025 and the same quarter of the previous year. This reflected enhanced efficiency in receivables management, as the Company was able to accelerate the billing and collection processes compared to previous periods. The improvement was mainly driven by the delivery of large-scale government projects that reached billing and payment milestones during the quarter, as well as the continuous enhancement of the Company's internal receivables monitoring process. The shorter collection period strengthened the Company's liquidity position and supported more efficient project execution in the second half of the year.

3. Leverage Ratios

In Q3/2025, the Company's debt-to-equity ratio (D/E) stood at 2.5 times, an increase from 2.2 times in Q2/2025 and 2.1 times in the same quarter of the previous year. The higher ratio reflected an increase in total liabilities to support the execution of large-scale projects currently in progress. Meanwhile, the Company maintained a strong ability to service its interest obligations, with an interest coverage ratio (ICR) of 7.9 times, slightly lower than 9.5 times in the previous quarter but still at a solid level, indicating sufficient earnings to cover interest expenses.

However, the Company's Debt Service Coverage Ratio (DSCR) in Q3/2025 remained negative, as cash flows from operating activities were still in deficit. This was mainly due to an increase in trade receivables and contract assets related to large-scale projects, resulting from the accelerated procurement of equipment and advance payments to contractors to ensure timely project delivery in the second half of the year. Nevertheless, the Company maintained adequate liquidity to meet both interest and principal repayment obligations through existing cash balances and available revolving credit facilities from financial institutions. In addition, the Company expects to generate operating cash inflows from billing and revenue recognition of key projects during Q4/2025.

4. Profitability Ratios

In Q3/2025, the Company's Return on Assets (ROA) stood at 9.4%, decreasing from 12.8% in the previous quarter but rising from 4.0% in the same quarter of the previous year. This reflected continued growth in net profit compared to the previous year, despite the expansion of total assets driven by ongoing investments and large-scale project execution. The Return on Equity (ROE) was 30.0%, down from 48.8% in Q2/2025 and 26.2% in Q3/2024. The quarter-on-quarter decline was primarily due to an increase in the Company's equity base following the initial public offering (IPO) completed in early 2025. Nevertheless, the ROE remained at a strong level, demonstrating the Company's consistent ability to generate attractive returns for its shareholders.

Factors Impacting Business Operations or Future Growth

The Company has analyzed and assessed the key factors that may impact its operations and future growth, which can be categorized as follows:

1. Government Policies and Public Sector Investment

The Company derives a significant portion of its revenue from government projects and may be affected by potential budget reductions or delays in public sector ICT spending. Nevertheless, the Thai government continues to advance its Digital Economy and Digital Government initiatives, particularly through major programs such as the Cloud First Policy, Smart City, and Government Data Exchange Platform, all of which align closely with the Company's areas of expertise.

To mitigate dependency risks, the Company has adopted a diversification strategy by expanding its client base to include state enterprises and private sector customers. It is also developing digital solutions that align with national digital policies, such as Cloud-based Data Management Systems, AI-driven Analytics Platforms, and Cybersecurity Infrastructure, enabling the Company to capture long-term growth opportunities arising from continued government investment in digital transformation.

2. Technology and Innovation Trends

In 2025, technological changes are accelerating rapidly, particularly in Generative AI, Cloud-native Platforms, Cybersecurity Frameworks, and Data Intelligence, which have become core components of global digital transformation. The Company's ability to develop and deliver solutions that respond swiftly to market demand will be a key factor in maintaining its competitiveness.

Accordingly, the Company continues to invest in Research and Development (R&D) by allocating additional budgets to emerging technologies, including AI, Machine Learning, DevSecOps, and Cloud Infrastructure. At the same time, the Company is committed to enhancing employee capabilities through Reskilling and Upskilling initiatives to ensure workforce readiness for future technological shifts.

3. Macroeconomic Conditions and Interest Rates

Although Thailand's economy has shown greater stability toward the end of 2025, global economic uncertainty and monetary policies in major trading partners—particularly the United States—remain key variables. Despite signs of potential rate cuts, interest rates are still elevated compared to pre-pandemic levels, leading to continued pressure on financing costs.

The Company has therefore implemented an Active Treasury Management strategy, maintaining borrowing levels consistent with project cash flows and exploring flexible financing alternatives such as leasing arrangements, strategic partnership financing, and low-cost short-term credit facilities to preserve profitability and liquidity over the long term.

Overall, while the Company continues to face challenges from global economic volatility, rapid technological disruption, and possible shifts in government policy, its solid financial structure, risk diversification strategy, and skilled workforce provide a strong foundation for maintaining competitiveness and achieving sustainable long-term growth.

Sustainability Development

The Company recognizes the importance of conducting business with a strong focus on Environmental, Social, and Governance (ESG) factors, which have become key considerations for investors in their decision-making processes. As a result, the Company is committed to responsible and sustainable business practices and has established policies and measures to promote sustainability across all dimensions, as follows:

- 1. Environmental** – The Company operates with a commitment to environmental conservation and efficient use of resources, targeting a 2.5% reduction in electricity, water, and paper consumption per person, and a 5% reduction in greenhouse gas emissions by 2029.
Energy-saving measures have been implemented, such as setting air conditioners at 26°C, switching off electrical equipment when not in use, and utilizing energy-efficient devices. The Company also promotes the 3Rs principle (Reduce, Reuse, Recycle) and a paperless system to minimize waste. In addition, the Company participates in the “Care the Bear” initiative by the Stock Exchange of Thailand to reduce carbon emissions through promoting online meetings and limiting single-use plastics. These efforts demonstrate the Company’s commitment to continuous environmental stewardship and long-term sustainable growth.
- 2. Social** – The Company conducts business alongside sustainable social development, prioritizing employee well-being, community engagement, and social responsibility. Key social targets include zero major labor disputes, an employee turnover rate below 10%, average training hours of at least 16 hours per person per year, and employee engagement levels above 80%.
The Company ensures fair compensation and welfare, promotes equality and workplace safety, and continuously enhances employee capabilities through training and team-building activities. Furthermore, the Company supports community initiatives such as blood donation drives, charitable contributions, and purchasing from local shops to strengthen community economies and create shared value between the Company and society.
- 3. Governance** – The Company upholds strong corporate governance principles with transparency, accountability, and ethical conduct in full compliance with laws and regulations. The Company aims to achieve a 4-star CGR rating by 2029, increase human capital productivity by 15%, and maintain zero corruption-related complaints.
Data protection measures are enforced through Non-Disclosure Agreements (NDAs) and compliance with the Personal Data Protection Act (PDPA). Regular governance and ethics training is provided for all employees, and whistleblowing channels are available to report unethical practices.
Economically, the Company focuses on developing innovative technology solutions—including Cloud, ICT, and Security Solutions—to enhance operational efficiency, strengthen competitiveness, and support the growth of the digital economy in a sustainable manner.

Through these initiatives, the Company remains dedicated to conducting business responsibly while driving sustainable development, meeting the expectations of investors, society, and all stakeholders, and creating long-term value for the organization.

Please be informed accordingly.

Sincerely yours,

MISS BENYAPA CHALERMWAT
Director

Corporate Secretary
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