

PROUD/FIN/SET-2026/002

13 May 2026

Subject: Management Discussion and Analysis for the First Quarter Ended 31 March 2026

To: The President
The Stock Exchange of Thailand

Proud Real Estate Public Company Limited (the “Company”) would like to clarify the operating results for the first quarter of 2026 ended 31 March 2026, with the following details:

Operating Results for the First Quarter ended March 31, 2026

Income Statement (YoY)				
(Unit: million baht)	Q1/2026	Q1/2025	Variance + / (-)	%Variance + / (-)
Revenues from sale of real estate	1,205.60	1,688.66	(483.06)	(28.61)
Cost of real estate sold	(964.58)	(1,344.58)	(380.00)	(28.26)
Gross profit	241.02	344.07	(103.05)	(29.95)
Other income	59.36	4.17	55.19	1,323.50
Selling expenses	(144.95)	(207.07)	(62.12)	(30.00)
Administrative expenses	(65.13)	(68.85)	(3.72)	(5.40)
Operating profit	90.30	72.33	17.97	24.84
Finance income	0.01	0.08	(0.07)	(87.50)
Finance cost	(8.42)	(12.45)	(4.03)	(32.37)
Profit before income tax income	81.88	59.96	21.92	36.56
Income tax income (expenses)	(27.52)	4.60	(32.12)	N/A
Profit for the period	54.36	64.56	(10.20)	(15.80)

Revenues from sale of real estate

For the first quarter of 2026, the Company reported revenues from sales of real estate of THB 1,205.60 million, a decrease of THB 483.06 million or 28.61% year-on-year (YoY). This decrease was primarily due to the timing of ownership transfers. Main revenue contributors for this quarter included Nue District R9 and VEHHA Hua Hin, both of which are completed projects in the handover phase. Furthermore, the Company began recognizing revenue from VARUNN Chaengwattana-Ratchaphruek, a single-detached house project officially launched during this period.

As of the end of the first quarter of 2026, the cumulative ownership transfer rates for Nue District R9, VI Ari, VEHHA Hua Hin, and VARUNN stood at 88%, 80%, 58%, and 1% of their respective project values.

Cost of real estate sold

For the first quarter of 2026, the Company reported cost of real estate sold of THB 964.58 million, a decrease of THB 380.00 million or 28.26% compared to the same period of the previous year. This decrease was in line with the decline in revenue from real estate sales, which fluctuated according to the ownership transfer schedule of each project. Consequently, the Company recorded a gross profit of THB 241.02 million, representing a gross profit margin of 19.99%, remaining at a level comparable to the previous year.

Other income

For the first quarter of 2026, the Company reported other income of THB 59.36 million, an increase of THB 55.19 million or 1,323.50% compared to the same period of the previous year. This significant increase was primarily attributable to the revision of property development cost estimates for the NUE Cross Khu Khot and Nue District R9 projects, as well as income from management services and customer booking cancellations.

Selling expenses

For the first quarter of 2026, the Company reported selling expenses of THB 144.95 million, a decrease of THB 62.12 million or 30.00% compared to the same period of the previous year. Such expenses accounted for 12.02% of revenues from sale of real estate. The decrease was mainly attributable to the lower volume of ownership transfers, particularly brokerage fees, specific business tax, and transfer fees, which vary according to project deliveries. The ratio of selling and distribution expenses to revenue remained in line with the Company's estimates and within the targeted range.

Administrative expenses

For the first quarter of 2026, the Company reported administrative expenses of THB 65.13 million, a decrease of THB 3.72 million or 5.40% compared to the same period of the previous year. This was primarily attributable to effective operating expense management.

As a result, the Company reported an operating profit for the first quarter of 2026 of THB 90.30 million, an increase of THB 17.97 million or 24.84% compared to the same period of the previous year. This reflects the Company's effective capital structure management and its ability to maintain resilient operating performance.

Finance cost

For the first quarter of 2026, the Company reported finance costs were THB 8.42 million, a decrease of THB 4.03 million or 32.37% year-on-year. The decline was mainly attributable to reduced interest expenses on project loans for the Nue District R9 and NUE Cross Khu Khot projects, following the repayment of borrowings using cash flow from operations.

Profit for the period

For the first quarter of 2026, the Company reported a net profit of THB 54.36 million, a decrease of THB 10.20 million or 15.80% compared to the same period of the previous year. This decrease was primarily due to the decline in revenue from ownership transfers, which fluctuated in accordance with the project ownership transfer schedule. Nevertheless, through effective cost and expense management, the Company successfully improved its net profit margin from 3.81% in the first quarter of 2025 to 4.30% in the first quarter of 2026.

Despite continued pressure on the real estate sector in 2026 from economic conditions and stricter lending considerations by financial institutions, the Company remains focused on developing projects that align with market demand, while continuously managing costs and delivering projects in accordance with its business plan.

As of 31 March 2026, Nue District R9, VI Ari, and VEHHA Hua Hin achieved sales rates of 96%, 80%, and 70% of their respective project values, respectively. Meanwhile, ROMM Convent achieved a sales rate of 86% and commenced gradual ownership transfers in May 2026. The Residences at InterContinental Phuket Resort, which was launched in the fourth quarter of 2025, achieved a sales rate of 33% of its project value and is scheduled to commence revenue recognition in 2027. In addition, VARUNN, a single-detached housing project officially launched in the first quarter of 2026, continued to achieve steady sales.

At the end of the reporting period, the Company's backlog amounted to THB 5,319.50 million, which will be gradually recognized as revenue in future periods in line with the progress of ownership transfers. Such backlog will support the continuity of the Company's future revenue stream and reflects the Company's capability in managing its project portfolio across sales, project delivery, and sustainable business growth.

Financial Position

Assets				
(Unit: million baht)	31 March 2026	31 December 2025	Variance + / (-)	%Variance + / (-)
Current assets				
Cash and cash equivalents	744.04	454.25	289.79	63.80
Other current receivables	57.53	47.58	9.95	20.91
Real estate development costs	5,900.50	6,349.87	(449.37)	(7.08)
Current tax assets	61.80	50.52	11.28	22.33
Other current assets	215.54	234.11	(18.57)	(7.93)
Total current assets	6,979.41	7,136.32	(156.91)	(2.20)
Non-current assets				
Building and equipment	41.62	41.57	0.05	0.12
Right-of-use assets	14.85	3.78	11.07	292.86
Intangible assets	5.20	5.37	(0.17)	(3.17)
Deferred tax assets	113.72	139.82	(26.10)	(18.67)
Other non-current financial assets	3.20	3.02	0.18	5.96
Other non-current assets	181.89	160.77	21.12	13.14
Total non-current assets	360.48	354.33	6.15	1.74
Total assets	7,339.89	7,490.65	(150.76)	(2.01)

As of 31 March 2026, the Company had total assets of THB 7,339.89 million, representing a decrease of THB 150.76 million, or 2.01%, from the end of 2025, with key movements as follows:

- **Real estate development costs** decreased by THB 449.37 million, or 7.08%, mainly due to the gradual transfer of ownership of the Nue District R9, VEHHA Hua Hin, and VARUNN projects, resulting in cost recognition in line with project deliveries.

- **Cash and cash equivalents** increased by THB 289.79 million, or 63.80%, from the end of 2025, primarily driven by cash inflows from operating activities in line with the gradual transfer of ownership across projects, as well as efficient working capital management. This was despite partial cash outflows for loan repayments and investments in future project development. The Company continued to maintain sufficient liquidity to support its business operations and planned project expansion.
- **Other non-current assets** increased by THB 21.12 million, or 13.14%, mainly due to the recognition of prepaid brokerage fees and marketing expenses in preparation for new project launches and developments, particularly The Residences at InterContinental Phuket Resort, reflecting the Company's readiness for future sales and revenue generation.

Overall, the changes in the asset structure reflect the Company's efficient asset and liquidity management, through the Steady conversion of project inventories into cash flows, together with continued investment to support future growth.

Liabilities and shareholders' equity				
(Unit: million baht)	31 March 2026	31 December 2025	Variance + / (-)	%Variance + / (-)
Current liabilities				
Bank overdrafts	22.71	17.45	5.26	30.13
Trade and other current payables	465.54	446.81	18.73	4.19
Current portion of long-term loans from related person	200.00	-	200.00	100.00
Current portion of long-term loan from unrelated party and person	-	325.40	(325.40)	(100.00)
Current portion of long-term loans from financial institutions	2,047.12	1,582.07	465.05	29.40
Current portion of debentures	547.15	-	547.15	100.00
Current portion of lease liabilities	4.23	2.25	1.98	88.13
Deferred revenue from sales of real estate	1,202.80	1,283.59	(80.79)	(6.29)
Accrued expenses related to the projects	51.65	83.94	(32.29)	(38.47)
Current retention payables	6.42	8.73	(2.30)	(26.39)
Corporate income tax payable	11.21	12.01	(0.80)	(6.67)
Other current liabilities	53.81	44.39	9.42	21.21
Total current liabilities	4,612.64	3,806.63	806.01	21.17
Non-current liabilities				
Long-term loans from related person	-	200.00	(200.00)	(100.00)
Long-term loans from financial institutions, net of current portion	823.18	1,096.69	(273.51)	(24.94)
Debentures	-	546.42	(546.42)	(100.00)
Lease liabilities, net of current portion	6.50	1.34	5.17	386.97
Non-current provision for employee benefits	8.39	7.80	0.59	7.59
Non-current provision for decommissioning costs	6.22	7.24	(1.02)	(14.06)
Non-current retention payables	95.76	91.70	4.06	4.43

(Unit: million baht)	31 March 2026	31 December 2025	Variance + / (-)	%Variance + / (-)
Total non-current liabilities	940.06	1,951.19	(1,011.12)	(51.82)
Total liabilities	5,552.70	5,757.82	(205.11)	(3.56)

As of 31 March 2026, the Company had total liabilities of THB 5,552.70 million, representing a decrease of THB 205.11 million, or 3.56%, from the end of 2025, mainly due to the gradual repayment of loans following ownership transfers of completed projects, as well as continued financial structure management. Key movements are as follows:

- **Deferred revenue from sales of real estate** decreased by THB 80.79 million, or 6.29%, mainly resulting from the gradual transfer of ownership of the Nue District R9 and VEHHA Hua Hin projects.
- **Current portion of long-term loans from financial institutions** increased by THB 465.05 million, or 29.40%, primarily due to the reclassification of loan facilities in accordance with their scheduled repayments within one year for projects under development and those in the process of gradual ownership transfers.
- **Current portion of debentures** amounted to THB 547.15 million, arising from the reclassification of bonds based on their remaining maturities, which were previously recognized under non-current liabilities.
- **Current portion of long-term loans from related person** amounted to THB 200.00 million, due to reclassification in accordance with repayment schedules. Such reclassification had no impact on the Company's cash flows or net debt position.

The Company's debt-to-equity ratio (D/E) improved, decreasing to 3.11 times from 3.32 times at the end of 2025. Similarly, the net debt-to-equity (Net D/E) ratio declined to 1.62 times from 1.91 times. These reductions reflect a strengthening of the Company's financial position and its continued proficiency in liquidity management.

As of 31 March 2026, the Company's total shareholders' equity stood at THB 1,787.19 million, an increase of THB 54.36 million or 3.14% from the end of 2025. This growth was primarily driven by the net profit recognized during the period, highlighting the Company's ability to execute its business strategy and maintain sustainable profitability.

Please be informed accordingly.

Yours sincerely,



(Ms. Naruedee Koslathip)
Chief Financial Officer