

PROUD/FIN/SET-2026/001

25 February 2026

Subject: Management Discussion and Analysis for the 4th Quarter and the year ended 31 December 2025

To: The President
The Stock Exchange of Thailand

Proud Real Estate Public Company Limited (the “Company”) would like to report its operating results for the 4th Quarter and for the year ended 31 December 2025. The details are as follows:

Operating Performance for the 4th Quarter and for the year ended 2025

Income Statement

(Unit: million baht)	4Q25	4Q24	%YOY	2025	2024	%YOY
Revenue from sales of real estate	1,362.38	250.07	444.80	6,367.17	2,221.25	186.65
Cost of real estate sold	(1,090.68)	(196.15)	456.04	(4,978.25)	(1,756.99)	183.34
Gross profit	271.70	53.92	403.89	1,388.92	464.26	199.17
Other income	31.52	2.92	979.45	39.63	46.57	(14.90)
Selling and distribution expenses	(133.94)	(40.12)	233.85	(697.08)	(202.17)	244.80
Administrative expenses	(87.99)	(47.29)	86.06	(293.95)	(211.76)	38.81
Operating profit	81.29	(30.57)	365.91	437.53	96.90	351.52
Finance income	1.27	1.84	(30.98)	2.75	4.27	(35.50)
Finance cost	(25.32)	(9.15)	176.72	(112.11)	(32.71)	242.75
Profit before income tax income	57.24	(37.88)	251.11	328.17	68.46	379.36
Income tax income (expenses)	(34.16)	2.82	(1,311.35)	(160.34)	(11.84)	1,254.14
Profit for the period	23.08	(35.06)	165.83	167.83	56.62	196.41

Revenue from sales of real estate

For the 4th quarter of 2025, the Company reported revenue from real estate sales totaling THB 1,362.38 million, an increase of THB 1,112.31 million or 444.80% from the same period last year. This significant increase was primarily attributable to the transfer of condominium units at Nue District R9, VEHHA Hua Hin, and VI Ari, all of which have been completed and are ready for transfer. As of the end of the quarter, cumulative transfers accounted for 71%, 53%, and 80% of the total project value of each project, respectively.

For 2025, the Company reported revenue from real estate sales totaling THB 6,367.17 million, an increase of THB 4,145.92 million or 186.65% from the previous year. The growth was primarily attributable to the transfer of completed units at Nue District R9, VEHHA Hua Hin, VI Ari and Nue Cross Khu Khot Station throughout the year. Notably, Nue Cross Khu Khot Station completed the transfer of all units, achieving a 100% transfer rate in the 3rd quarter of 2025. As a result, 2025 marked the year in which the Company recorded the highest total revenue in its history.

Cost of real estate sold

For the 4th quarter of 2025, the Company recorded cost of real estate sales amounting to THB 1,090.68 million, an increase of THB 894.53 million or 456.04% from the same period last year. The increase was primarily driven by a higher volume of unit transfers from completed projects. Consequently, the Company reported a gross profit of THB 271.70 million for the 4th quarter of 2025, representing a gross profit margin of 19.94%.

For 2025, the Company recorded cost of real estate sales totaling THB 4,978.25 million, an increase of THB 3,221.26 million or 183.34% from the previous year, in line with the growth in revenue from the transfer of ownership of key projects throughout the year. Consequently, the Company reported a gross profit of THB 1,388.92 million for 2025, equivalent to a gross profit margin of 21.81%.

Other income

For the 4th quarter of 2025, the Company recorded other income of THB 31.52 million, an increase of THB 28.60 million or 979.45% from the same period last year. The increase was primarily attributable to forfeited booking deposits and down payments from customers in certain projects. This was in connection with the management of the sales process and contract administration during the period of accelerated unit transfers.

For 2025, the Company recorded other income of THB 39.63 million, a decrease of THB 6.94 million or 14.90% from the previous year. The decline was primarily attributable to the absence of certain non-recurring items recognized in 2024, including income from forfeited construction retention payable to contractors and the reversal of long-outstanding payables aged over 10 years related to past projects. These items were non-recurring in nature, resulting in a higher base of other income in the prior year.

Selling and distribution expenses

For the 4th quarter of 2025, the Company recorded selling and distribution expenses of THB 133.94 million, an increase of THB 93.82 million or 233.85% from the same period last year, representing 9.83% of revenue from real estate sales. The increase was primarily attributable to a higher volume of unit transfers year-on-year, particularly commissions, special business tax, and transfer fees, which are variable in nature and align with transfer volume. Nevertheless, the expense-to-revenue ratio remained at a level comparable to the prior quarter.

For 2025, the Company incurred selling and distribution expenses of THB 697.08 million, an increase of THB 494.91 million or 244.80% from the previous year, accounting for 10.95% of revenue from real estate sales. The increase was primarily attributable to transfer-related selling expenses from key projects, including marketing and promotional expenses incurred to support unit transfers during the year. In 2025, the selling and distribution expense ratio remained in line with projections and within the Company's targeted framework.

Administrative expenses

For the 4th quarter of 2025, the Company recorded administrative expenses of THB 87.99 million, an increase of THB 40.70 million or 86.06% from the same period last year. The increase was primarily attributable to the expansion of operations, resulting in higher personnel expenses. Administrative expenses also include rental expenses for sales offices for active projects and common area expenses for units pending transfer, which the Company continues to bear until the transfer to customers is completed.

For 2025, the Company recorded administrative expenses of THB 293.95 million, an increase of THB 82.19 million or 38.81% from the previous year. The increase was primarily attributable to the factors discussed above and reflected expansion of the Company's organizational structure and project management capacity to support the increased level of business activities.

Finance income and finance cost

For the 4th quarter of 2025, the Company recorded finance income of THB 1.27 million, a decrease of THB 0.57 million or 30.98% from the same period last year. The Company also recorded finance costs of THB 25.32 million, an increase of THB 16.17 million or 176.72% from the same period last year. The increase was primarily attributable to interest expenses recognized from projects that entered the transfer phase during the year. However, interest expenses began to moderate compared to the previous quarter following the continuous partial repayment of borrowings. As a result, the Company reported operating profit of THB 57.24 million for the 4th quarter of 2025, an increase of THB 95.12 million or 251.11% from the same period last year.

For 2025, the Company reported finance income of THB 2.75 million, a decrease of THB 1.52 million or 35.50% from the previous year. The decline was primarily attributable to lower interest income from project bank deposits following the completion of unit transfers. Finance costs for the year totaled THB 112.11 million, an increase of THB 79.40 million or 242.75% from the previous year. The early part of the year, the Company began recognizing interest expenses from projects that entered the transfer phase, as well as interest on debentures issued to support business expansion. However, Following the transfer of ownership of the Company's key project this year, all related borrowings were fully repaid. As a result, interest expenses declined significantly toward the end of the year and enhanced the resilience of the Company's financial structure going forward. As a result, the Company reported operating profit for 2025 totaling THB 328.17 million, increasing by THB 259.71 million or 379.36% from the previous year. This reflects the Company's improved revenue generation capacity despite higher finance costs associated with its expanded capital structure.

Net profit for the year

For the 4th quarter of 2025, the Company reported a net profit of THB 23.08 million, an increase of THB 58.14 million or 165.83% from the same period last year. The growth was primarily attributable to the transfer of completed units from projects completed in accordance with plan and progressively delivered during the quarter. Meanwhile, the Company's cost structure and expenses remained aligned with transfer volumes, resulting in improved profitability compared to the same period last year.

For 2025, the Company recorded a net profit of THB 167.83 million, an increase of THB 111.21 million or 196.41% from the previous year. The improvement was primarily attributable to the transfer of completed units from projects delivered in line with the business plan, together with effective management of cost of sales and operating expenses, resulting in enhanced profitability.

Despite continued pressure on the real estate sector and overall purchasing power in 2025 amid economic challenges and elevated financing costs, the Company delivered sustained growth in operating performance. This was supported by its differentiated project development strategy aligned with market demand, prudent location selection, and effective control over construction quality and timely project delivery in accordance with the business plan. These factors provided a strong foundation for the Company's continued growth and significantly improved profitability during the year.

As of 31 December 2025, the Company's ongoing projects under sale include ROMM Convent, which has achieved 85% of its total project value and is expected to commence revenue recognition in the 2nd quarter of 2026. Nue District R9 has achieved 96% of its total project value, VEHHA Hua Hin has reached 69%, and VI Ari has secured 80%. For the newly launched project in late 2025, The Residences at InterContinental Phuket Resort, although recently introduced to the market, has already achieved 21% of total project value, reflecting strong demand from the target customer segment. Revenue recognition is scheduled to commence in 2027 and is expected to serve as an additional growth driver in the next phase. In addition, the "Varunn Chaengwattana-Ratchapruek" (VARUNN) project commenced an informal soft opening toward the end of last year and has secured sales of 2 units or 1% of its total project value. This provides preliminary validation of market demand ahead of the official launch in 2026.

Furthermore, as of 31 December 2025, the Company had a total backlog of THB 6,130.55 million, which is expected to be progressively recognized as revenue in line with the transfer of ownership in the upcoming periods. This provides greater revenue visibility going forward and reflects the Company's ability to effectively manage its project portfolio in a balanced manner across sales, project delivery, and capital structure management to support sustainable growth.

Financial Positions

Assets				
(Unit: million baht)	December 31, 2025	December 31, 2024	Changes + / (-)	%Changes + / (-)
Current assets				
Cash and cash equivalents	454.25	484.90	(30.66)	(6.32)
Other current receivables	47.58	42.17	5.41	12.82
Real estate development costs	6,349.87	9,045.14	(2,695.27)	(29.80)
Current tax assets	50.52	4.38	46.14	1,052.89
Other current assets	234.11	713.54	(479.43)	(67.19)
Total current assets	7,136.32	10,290.13	(3,153.80)	(30.65)
Non-current assets				
Building and equipment	41.57	23.10	18.46	79.91

Right-of-use assets	3.78	8.78	(5.00)	(56.94)
Intangible assets	5.37	4.54	0.83	18.24
Deferred tax assets	139.82	270.25	(130.43)	(48.26)
Other non-current financial assets	3.02	4.03	(1.01)	(25.05)
Other non-current assets	160.77	55.72	105.05	188.52
Total non-current assets	354.33	366.42	(12.09)	(3.30)
Total assets	7,490.65	10,656.55	(3,165.90)	(29.71)

As of 31 December 2025, the Company had total assets of THB 7,490.65 million, representing a decrease of THB 3,165.90 million or 29.71% from the end of 2024. The decrease was primarily due to the following factors:

- Real estate development costs decreased by THB 2,695.27 million or 29.80%, mainly due to ownership transfers of the Nue District R9, VEHHA Hua Hin, VI Ari and Nue Cross Khu Khot Station projects.
- Other current assets decreased by THB 479.43 million or 67.19%, primarily due to the write-off of commission expenses, prepaid marketing expenses, and construction deposits related to projects that had already completed ownership transfers.
- Cash and cash equivalents decreased by THB 30.66 million or 6.32%, mainly attributable to cash flow management to repayment borrowings related to completed projects and to provide working capital for new project development. Nevertheless, the Company's cash balance remains at a level sufficient to support its operations in line with its business plan.
- Deferred tax assets decreased by THB 130.43 million or 48.26%, primarily due to the utilization of tax benefits in line with revenue recognition following the commencement of ownership transfers.

Offsetting by:

- Other non-current assets increased by THB 105.05 million or 188.52%, mainly due to prepaid expenses and project-related costs associated with projects under development, including ROMM Convent, The Residences at InterContinental Phuket Resort and VARUNN.

Liabilities and Shareholders' Equity

(Unit: million baht)	December 31, 2025	December 31, 2024	Changes + / (-)	%Changes + / (-)
Current liabilities				
Bank overdrafts	17.45	14.84	2.61	17.60
Trade and other current payables	446.81	923.06	(476.26)	(51.60)
Current portion of long-term loan from unrelated parties and person	325.40	-	325.40	100.00
Current portion of long-term loan from financial institutions	1,582.07	518.78	1,063.29	204.96
Current portion of lease liabilities	2.25	4.74	(2.49)	(52.56)
Deferred revenue from sale of real estate	1,283.59	2,215.02	(931.44)	(42.05)
Accrued expenses related to the projects	83.93	86.61	(2.68)	(3.09)
Retention payable - current	8.73	7.95	0.78	9.84
Corporate income tax payable	12.01	19.49	(7.48)	(38.39)

Other current liabilities	44.39	11.38	33.01	290.08
Total current liabilities	3,806.63	3,801.88	4.75	0.12
Non-current liabilities				
Long-term loan from related person	200.00	-	200.00	100.00
Long-term loans from unrelated party and person net of current portion	-	445.74	(445.74)	(100.00)
Long-term loans from financial institutions, net of current portion	1,096.69	3,860.20	(2,763.51)	(71.59)
Debenture	546.42	-	546.42	100.00
Lease liabilities, net of current portion	1.34	3.84	(2.50)	(65.22)
Cumulative and redeemable preference shares	-	833.25	(833.25)	(100.00)
Non-current provision for employee benefits	7.80	5.61	2.20	39.18
Provision for decommissioning costs	7.24	6.85	0.39	5.64
Retention payable - non-current	91.70	133.91	(42.21)	(31.52)
Total non-current liabilities	1,951.19	5,289.40	(3,338.22)	(63.11)
Total liabilities	5,757.82	9,091.28	(3,333.47)	(36.67)

As of 31 December 2025, the Company's total liabilities amounted to THB 5,757.82 million, representing a decrease of THB 3,333.47 million or 36.67% compared to the end of 2024. The main reasons for this decrease were as follows:

- Long-term loans from financial institutions decreased by THB 1,700.22 million or 38.83%, mainly due to the full repayments of bank borrowings related to the Nue District R9 and VEHHA Hua Hin projects.
- Deferred revenue from sale of real estate decreased by THB 931.44 million or 42.05%, primarily due to the continued transfer of ownership in the Nue District R9, VEHHA Hua Hin, VI Ari and Nue Cross Khu Khot Station projects.
- Trade and other payables decreased by THB 476.26 million or 51.60%, mainly due to payments for land acquisition of the VARUNN project and construction costs of the Nue District R9 and VEHHA Hua Hin project, both of which were completed and transferred during 2025.
- Cumulative and redeemable preference shares decreased by THB 833.25 million or 100%, primarily due to the full redemption during the year.

Offsetting by:

- Debentures increased by THB 546.42 million, entirely from the issuance and offering of the 1/2025 debenture tranche in March 2025.
- Long-term loan from related person increased by THB 200.00 million or 100%, primarily due to the restructuring of bank borrowings, followed by the restructuring of the Company's shareholding structure. Such changes have no impact on the Company's cash flows or net debt.

The Company's interest-bearing debt to equity ratio (IBD/E) decreased to 2.17 times from 3.62 times as of the end of 2024. Similarly, the total debt to equity ratio (D/E) decreased to 3.32 times from 5.81 times as of the end of 2024. In addition, the net debt to equity ratio (Net Debt/E), calculated as interest-bearing debt net of cash and cash

equivalents, decreased to 1.91 times from 3.31 times as of the end of 2024. The improvement reflects enhanced liquidity management and a strengthened financial position.

As of 31 December 2025, the Company's total shareholders' equity amounted to THB 1,732.83 million, representing an increase of THB 167.57 million from the end of 2024. The increase was primarily attributable to higher retained earnings generated from operating results in line with the Company's business plan.

Subsequent to the reporting period, the Board of Directors resolved to propose to the 2026 Annual General Meeting of Shareholders the approval of a dividend payment from the 2025 operating results at a rate of THB 0.09 per share, representing a total dividend of approximately THB 83.91 million, or a dividend payout ratio of 50% of net profit. The proposed dividend is in accordance with the Company's dividend policy, which stipulates a payout of not less than 40% of net profit. The dividend payment remains subject to shareholders' approval, with the payment date to be determined upon such approval.

Please be informed accordingly.

Yours sincerely,



(Ms. Naruedee Koslathip)
Chief Financial Officer