ASPHERE

August 13, 2026

Subject: Management Discussion and Analysis of the operating results for the period ended June 30, 2026

To President

The Stock Exchange of Thailand

Asphere Innovation Public Company Limited has submitted its financial statements, including the results of its subsidiaries, for the period ending June 30, 2026. These statements were reviewed by Forvis Mazars Limited, the auditor, and approved by the Board of Directors on August 13, 2026.

Key Highlights for Q2/2026 vs Q1/2026

- Revenue decreases by 23.1%.
- Gross profit decreases by 33.7%.
- Net profit decreases by 50.0%.

Q2/2026 Financial Performance Overview

In Q2/2026, the Group generated Total Revenue of THB 229.2M, representing a decline of 23.1% QoQ and 13.1% YoY. The top-line softness was primarily driven by reduced player spending power amid macroeconomic headwinds and Middle East geopolitical uncertainties, alongside the absence of new game launches in 1H 2026. Nevertheless, the Group's core strategic titles continued to deliver consistent revenue during the quarter.

Despite a 13.1% YoY decline in total revenue compared to the prior-year period, the Mobile Game segment demonstrated strong resilience, surging +58.0% YoY, largely propelled by MU New Dawn (which had no revenue contribution in the prior-year period). Overseas momentum remained robust, led by the Philippines with impressive revenue growth of +62.5% YoY, closely aligned with the Mobile segment's expansion.

Net Profit for Q2/2026 stood at THB 14.2M (-50.0% QoQ, -34.9% YoY). The margin compression was mainly attributable to lower overall revenues, an increase in Royalty Fee rates for strategic games, and the absence of new game launches.

ASPHERE

1H 2026 Financial Performance Overview

For the six-month period ended June 30, 2026 (1H 2026), the Group delivered Total Revenue of THB 527.1M, representing a slight increase of 4.0% YoY (+THB 20.4M). Growth was predominantly driven by the Mobile Game segment, which surged +90.5% YoY, propelled by strong revenue contributions from MU New Dawn and the successful relaunch of Real Yulgang Classic (+115.4% YoY vs. Real Yulgang Mobile in 1H 2025).

Net Profit for 1H 2026 stood at THB 42.6M, declining 30.3% YoY (-THB 18.5M). This compression was primarily due to the top-line contraction in Q2/2026 alongside increased Royalty Fee rates for core strategic titles.

Normalized Basis: Excluding a non-recurring extraordinary gain of THB 12.6M recorded in Q1/2025, normalized Net Profit for 1H 2026 contracted by 13.8% YoY (-THB 5.9M).

Unit: Million Baht	**Profit & Loss for 3 month ended June 30, 2026, March 31, 2026 and June 30, 2025**									
Financial Statement	**Q2/2026**	**%**	**Q1/2026**	**%**	**Q2/2025**	**%**	**Variance QoQ**	**%**	**Variance YoY**	**%**
Revenues from sales and services	229.2	100.0%	297.9	100.0%	263.8	100.0%	(68.7)	(23.1%)	(34.6)	(13.1%)
Cost of sales and services	156.7	68.4%	188.5	63.3%	155.3	58.9%	(31.8)	(16.9%)	1.4	0.9%
Gross Profit (Loss)	**72.5**	**31.6%**	**109.4**	**36.7%**	**108.5**	**41.1%**	**(36.9)**	**(33.7%)**	**(36.0)**	**(33.2%)**
Selling & Admin Expenses	70.2	30.6%	76.1	25.5%	70.8	26.8%	(5.9)	(7.8%)	(0.6)	(0.9%)
Operating Profit (Loss) *	**2.3**	**1.0%**	**33.3**	**11.2%**	**37.7**	**14.3%**	**(31.0)**	**(93.1%)**	**(35.4)**	**(93.9%)**
Others	11.9	(5.2%)	(4.9)	(1.7%)	(15.8)	(6.0%)	16.8	342.9%	27.7	175.3%
Net Profit (Loss) **	**14.2**	**6.2%**	**28.4**	**9.5%**	**21.9**	**8.3%**	**(14.2)**	**(50.0%)**	**(7.7)**	**(35.2%)**

Remark:

* Profit (Loss) after the one-time expense

** Net Profit (Loss) on parent company

Unit: Million Baht	Profit & Loss for 6-month ended June 30, 2026 and June 30, 2025					
Financial Statement	**1H2026**	**%**	**1H2025**	**%**	**Variance YoY**	**%**
Revenues from sales and services	527.1	100.0%	506.7	100.0%	20.4	4.0%
Cost of sales and services	345.2	65.5%	298.0	58.8%	47.2	15.8%
Gross Profit (Loss)	**181.9**	**34.5%**	**208.7**	**41.2%**	**(26.8)**	**(12.8%)**
Selling & Admin Expenses	146.3	27.8%	138.8	27.4%	7.5	5.4%
Operating Profit (Loss) *	**35.6**	**6.8%**	**69.9**	**13.8%**	**(34.3)**	**(49.0%)**
Others	7.0	1.3%	(8.7)	(1.7%)	15.7	(180.5%)
Net Profit (Loss) **	**42.6**	**8.1%**	**61.2**	**12.1%**	**(18.6)**	**(30.4%)**

Remark:

* Profit (Loss) after the one-time expense

** Net Profit (Loss) on parent company

Unit: Million Baht	Revenue by Country for 3 month ended June 30, 2026, March 31, 2026 and June 30, 2025									
Revenue by country	**Q2/2026**	**%**	**Q1/2026**	**%**	**Q2/2025**	**%**	**Variance QoQ**	**%**	**Variance YoY**	**%**
Thai	85.5	37.3%	90.5	30.4%	106.6	40.4%	(5.0)	(5.6%)	(21.1)	(19.8%)
Singapore	87.3	38.1%	126.0	42.3%	101.1	38.3%	(38.7)	(30.7%)	(13.8)	(13.7%)
Malaysia	28.0	12.2%	46.1	15.5%	32.4	12.3%	(18.1)	(39.2%)	(4.4)	(13.6%)
Indonesia	0.1	0.0%	0.3	0.1%	0.0	0.0%	(0.2)	(59.4%)	0.1	-
Philippines	26.3	11.5%	31.7	10.7%	16.2	6.1%	(5.4)	(17.0%)	10.1	62.6%
Vietnam	2.0	0.9%	3.4	1.1%	7.5	2.8%	(1.4)	(41.6%)	(5.5)	(73.6%)
Total	**229.2**	**100.0%**	**297.9**	**100.0%**	**263.8**	**100.0%**	**(68.8)**	**(23.1%)**	**34.6**	**15.1%**

ASPHERE INNOVATIONS PUBLIC COMPANY LIMITED 51 JL Tower Rama 9 – Ramkhamhaeng,
18th Floor, Room 3-8 Rama 9 Road, Hua Mak, Bangkapi, Bangkok 10240, Thailand
T +66 (0) 2769-8888 I F +66 (0) 2090-2730

Unit: Million Baht	Revenue by Country for 6-month ended June 30, 2026 and June 30, 2025					
Revenue by country	1H2026	%	1H2025	%	Variance YoY	%
Thai	175.9	33.4%	193.1	38.1%	(17.1)	(8.9%)
Singapore	213.3	40.5%	202.4	39.9%	10.9	5.4%
Malaysia	74.1	14.1%	62.6	12.3%	11.5	18.4%
Indonesia	0.4	0.1%	0.1	0.0%	0.3	259.5%
Philippines	58.1	11.0%	33.1	6.5%	25.0	75.3%
Vietnam	5.3	1.0%	15.4	3.0%	(10.1)	(65.4%)
Total	527.1	100.0%	506.7	100.0%	20.5	4.0%

Revenues

In Q2 2026, the Group generated Total Revenue from sales and services of THB 229.2M, representing a 23.1% QoQ decline compared to THB 297.9M recorded in Q1 2026. Domestic revenue accounted for 37% of total top-line performance, while overseas markets contributed 63%.

The revenue softness in Q2 was primarily driven by geopolitical uncertainties in the Middle East that weighed on overall consumer sentiment, alongside general macroeconomic headwinds that directly constrained player spending power, as reflected in declining revenues across regional markets during the quarter. Furthermore, this contraction aligns with industry seasonality—where Q1 and Q2 typically represent off-peak periods compared to the higher-generating Q3 and Q4 quarters—and the temporary absence of new official game launches during 1H 2026. However, the Group plans to roll out scheduled new game releases in 2H 2026 to reignite top-line momentum across the entire region.

Compared to the prior-year period, Q2 Total Revenue decreased 13.1% YoY, mainly attributable to a slowdown in the PC game portfolio. However, the Mobile Game segment demonstrated strong resilience, surging +58.3% YoY. This expansion was sustained by the launch of MU New Dawn in Q4 2025, which particularly fueled growth in the Philippines market (+62.6% YoY) in alignment with the Group's mobile expansion strategy.

For the six-month period ended June 30, 2026, Total Revenue reached THB 527.1M, up 4.0% YoY (+THB 20.4M). Growth was predominantly driven by a +90.5% YoY surge in Mobile Game revenue, spearheaded by MU New Dawn across Q1 and Q2 (boosting 1H Philippines revenue by +75.3% YoY). Furthermore, the relaunch of Real Yulgang Classic delivered exceptional performance with revenue growing +115.4% YoY compared to Real Yulgang Mobile in the prior-year period, underlining the strong engagement and Royalty of its core player community.

ASPHERE

Cost of Goods Sold

In Q2 2026, the Group recorded Total Cost of Sales and Services of THB 156.7M, representing a 16.9% QoQ decline compared to THB 188.5M recorded in Q1 2026. This contraction was primarily driven by lower Royalty Fees—the primary component of cost of sales and services—moving directly in line with the top-line revenue slowdown during the quarter.

Compared to the prior-year period, Q2 Cost of Sales and Services increased slightly by 0.9% YoY, mainly attributable to higher network infrastructure expenses incurred to support MU New Dawn, which was introduced in 2026.

For the six-month period ended June 30, 2026, Cost of Sales and Services totaled THB 345.2M, up 15.8% YoY (+THB 47.2M) compared to 1H 2025. The cost expansion was predominantly driven by higher Royalty Fee rates across core strategic titles in 2026.

Gross Profit

In Q2 2026, the Group generated Gross Profit of THB 72.5M, representing a 33.7% QoQ decline compared to THB 109.4M recorded in Q1 2026. This contraction was primarily driven by the top-line revenue slowdown during the quarter, combined with higher Royalty Fee rates incurred on strategic titles.

Compared to the prior-year period, Q2 Gross Profit decreased by 33.2% YoY from THB 108.5M in Q2 2025. The compression was mainly attributable to increased Royalty Fee rates on strategic games alongside a 13.1% YoY decline in top-line revenue, which collectively weighed on gross profitability.

For the six-month period ended June 30, 2026, Gross Profit totaled THB 181.9M, down 12.8% YoY (-THB 26.8M) compared to 1H 2025. The decline was predominantly driven by the cost impact of elevated Royalty Fee rates on key strategic titles and higher network infrastructure expenses compared to the same period last year.

Selling and Admin Expenses

In Q2 2026, the Group recorded Total Selling and Administrative Expenses of THB 70.2M, representing a 7.8% QoQ decline compared to THB 76.1M recorded in Q1 2026. This contraction was primarily driven by lower selling expenses in line with the top-line revenue slowdown, alongside disciplined management and control over employee-related costs. Compared to the prior-year period, Q2 Selling and Administrative Expenses decreased slightly by 0.6% YoY from THB 70.8M in Q2 2025.

For the six-month period ended June 30, 2026, Selling and Administrative Expenses totaled THB 146.3M, up 5.4% YoY (+THB 7.5M) compared to 1H 2025. The expansion was predominantly driven by higher selling expenses aligned with overall top-line growth over the six-month period, combined with a 7.0% YoY increase in marketing expenses to continuously support promotional activities and player base expansion.

Net Profit (Loss)

In Q2 2026, the Group recorded a Net Profit of THB 14.2M, representing a 50.0% QoQ decline compared to Q1 2026. The primary contraction was driven by a 23.1% QoQ reduction in revenues, combined with the cost impact of elevated Royalty Fee rates on key strategic titles, which subsequently drove up the Cost of Sales and Services-to-Revenue ratio.

Compared to the prior-year period, Q2 Net Profit contracted by 35.2% YoY from Q2 2025. This was mainly attributable to the absence of new game launches during the first half of 2026, resulting in a lack of major commercial events and marketing campaigns that had previously fueled exceptional revenue and profit spikes in the prior year.

For the six-month period ended June 30, 2026, Net Profit totaled THB 42.6M, down 30.3% YoY (-THB 18.6M) compared to 1H 2025, primarily weighted down by Q2 top-line softness and increased Royalty Fees on strategic games. However, excluding a non-recurring extraordinary gain of THB 12.6M recorded in Q1 2025, normalized 1H 2026 Net Profit contracted by 12.3% YoY (-THB 6.0M).

ASPHERE

Financial Position of the Company

Unit: Million Baht	For the 6-month period ended June 30, 2026 and December 31, 2025					
Statement of Financial Position	**Q2/2026**	**%**	**2025**	**%**	**Variance**	**%**
Current Assets	506.3	30.5%	608.5	34.1%	(102.2)	(16.8%)
Non-Current Assets	1,152.4	69.5%	1,174.5	65.9%	(22.0)	(1.9%)
Total Assets	**1,658.8**	**100.0%**	**1,783.0**	**100.0%**	**(124.2)**	**(7.0%)**
Current Liabilities	242.5	14.6%	356.7	20.0%	(114.2)	(32.0%)
Non-Current Liabilities	72.5	4.4%	73.0	4.1%	(0.4)	(0.6%)
Total Liabilities	**315.0**	**19.0%**	**429.6**	**24.1%**	**(114.6)**	**(26.7%)**
Shareholders' Equity	**1,343.7**	**81.0%**	**1,353.4**	**75.9%**	**(9.7)**	**(0.7%)**
Total Liabilities and Equity	**1,658.8**	**100%**	**1,783.0**	**100.0%**	**(124.2)**	**(7.0%)**

As of June 30, 2026, the Group recorded Total Assets of THB 1,658.8M, representing a decrease of THB 124.2M (-7.0%) from year-end 2025, categorized as follows:

- Current Assets stood at THB 506.3M, down 16.8%, primarily driven by a THB 77.6M decline in Cash and Cash Equivalents. This decrease resulted from net cash utilized across key activities, including long-term bank loan repayments of THB 46.7M, dividend distributions of THB 49.8M, and investments in intangible assets of THB 43.1M, which were partially offset by net cash generated from operating activities of THB 65.1M. Additional contractions included a THB 17.9M reduction in prepaid royalty fees and a THB 1.94M drop in trade and other current receivables, partially offset by a THB 7.1M increase in other current financial assets.
- Non-Current Assets totaled THB 1,152.4M, declining slightly by 1.9%, mainly due to routine scheduled amortization of right-of-use assets and intangible assets.

Total Liabilities stood at THB 315.0M, decreasing by THB 114.6M (-26.7%) from year-end 2025, detailed as follows:

- Current Liabilities dropped by 32.0% to THB 242.5M, predominantly driven by the repayment of the current portion of long-term bank borrowings totaling THB 46.7M (-87.7%), coupled with active working capital management that reduced trade and other current payables by THB 52.6M (-32.3%). Accrued corporate income tax also declined by THB 11.8M (-43.5%) in line with tax settlements from ongoing profitable operations.

- Non-Current Liabilities recorded at THB 72.5M, down marginally by 0.6%, primarily due to a THB 1.5M reduction in lease liabilities.

Total Shareholders' Equity contracted slightly by 0.7% (-THB 9.7M) from THB 1,353.4M to THB 1,343.7M, mainly driven by a THB 7.3M reduction in unappropriated retained earnings following dividend payments made during the period.

Kindly be informed accordingly.

Yours faithfully,

Mr. Chawanin Tritavornyuenyong

Group Finance and Account Director

ASPHERE INNOVATIONS PUBLIC COMPANY LIMITED 51 JL Tower Rama 9 – Ramkhamhaeng,
18th Floor, Room 3-8 Rama 9 Road, Hua Mak, Bangkapi, Bangkok 10240, Thailand
T +66 (0) 2769-8888 | F +66 (0) 2090-2730