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MANAGEMENT DISCUSSION AND ANALYSIS

(MD&A | Q2'2026)

FOR THE SECOND QUARTER AND THE SIX-MONTH PERIOD

ENDED JUNE 30, 2026

ZALEKTA PUBLIC COMPANY LIMITED
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ZAA010/2026

August 11, 2026

Subject: Submit the consolidated financial statements of the Company and its subsidiaries for the second quarter and the six-month period ended June 30, 2026, and clarification for the operating results for the period.

Attention: President, The Stock Exchange of Thailand

ZALEKTA Public Company Limited ("**the Company**") would like to submit the consolidated financial statements of the Company and its subsidiaries for the second quarter and the six-month period ended June 30, 2026, which was audited by the authorized auditor of PricewaterhouseCooper ABAS Co., Ltd. and approved by the Board of Directors Meeting No.3/2026 held on August 11, 2026, and would like to inform the operating results for the second quarter and the six-month period of the year 2026 of the Company and its subsidiaries (collectively referred to as the "**the Group**") as follows;

1. Significant event and development during the current period

- The Stock Exchange of Thailand (SET) posted a CB (Caution – Business) sign on the Company's security effective from February 25, 2026 as the Group and the Company had incurred net losses for three consecutive years since 2023 to 2025. As a result, the Group and the Company's equity are less than 100% of the paid-up share capital. As at December 31, 2025, the Group and the Company have equity of 72% and 89% of paid-up share capital respectively. As at June 30, 2026, the Group and the Company still have equity of 67% and 82% of paid-up share capital respectively. Currently, the Company's management has conducted a meeting for providing information and explaining the plan to resolve this matter and will provide updates on the progress of resolving the issue to shareholders, investors, and other relevant parties.

2. Operating results for the second quarter ended June 30, 2026

2.1 Summary of the operating results for the second quarter ended June 30, 2026

(Thousand Baht)	Q2' 2026	Q2' 2025	+/(-)	+/(-)%
Services Income	26,632	21,534	5,098	23.7%
Cost of Providing Services	(13,340)	(14,802)	1,462	9.9%
Gross Profit	13,292	6,732	6,560	97.4%
Gross Profit (%)	49.9%	31.3%		

2.1 Summary of the operating results for the second quarter ended June 30, 2026 (Continued)

(Thousand Baht)	Q2' 2026	Q2' 2025	+/(-)	+/(-)%
Gross Profit	13,292	6,732	6,560	97.4%
Other Income	93	419	(326)	(77.8%)
Selling and Marketing Expenses	(4,464)	(2,197)	(2,267)	(103.2%)
Administrative Expenses	(14,668)	(14,647)	(21)	(0.1%)
Finance Costs	(258)	(275)	(17)	(6.1%)
Share of Loss of Joint Venture accounted for using the Equity Method	-	(953)	953	100.0%
Income Tax Expense	(1,066)	(3,210)	2,144	66.8%
Loss for the Period	(7,071)	(14,131)	7,060	50.0%
Loss per Share (Baht)	(0.0140)	(0.0192)		

2.2 Clarification for the Group's operating results for the second quarter ended June 30, 2026

Services Income

Services income for the second quarter of 2026, when compared to the same quarter of the previous year, increased from THB 21.5 million to THB 26.6 million, or an increase of THB 5.1 million, or 23.7 percent. This is mainly due to the e-commerce and related services business having an average revenue per job that increased by 28.3 percent, while there was no revenue from the event management services business during the second quarter of both years. The top five events with the highest revenue recognition in the current period are: (1) Singha Life Presents S2O Songkran Music Festival, (2) PEPSI Presents X Festival 2026, (3) MAMA Presents "CLUB 30 CONCERT", (4) The TITANS Concert, and (5) EDC Thailand 2026.

Cost of Providing Services

Cost of providing services for the second quarter of 2026, compared to the same quarter of the previous year, decreased from THB 14.8 million to THB 13.3 million, or a decrease of THB 1.5 million, or 9.9 percent. This resulted from the current quarter's revenue mix from e-commerce and related services business, which largely consists of fixed service costs.

Gross Profit

Gross profit for the second quarter of 2026, compared to the same quarter of the previous year, increased from THB 6.7 million to THB 13.3 million, or an increase of THB 6.6 million or 97.4 percent. This resulted from the current quarter's revenue mix from e-commerce and related services business, which largely consists of fixed service costs.

Selling and Marketing Expenses

Selling and marketing expenses for the second quarter of 2026 increased from THB 2.2 million to THB 4.5 million, or an increase of THB 2.3 million or 103.2 percent, compared to the same quarter of the previous year. The primary reason is the increased advertising and public relations expenses of the corporate brand.

Share of Loss of Joint Venture accounted for using the Equity Method

Share of loss of joint venture accounted for using the equity method for the second quarter of 2026 showed a decrease of THB 1.0 million compared to the same quarter of the previous year. This is due to the Group not recognizing such losses in the current period, as the Group sold all its investments in associates and joint ventures at the end of the first quarter of the current year.

Income Tax Expense

Income tax expense for the second quarter of 2026, compared to the same quarter of the previous year, decreased from THB 3.2 million to THB 1.1 million, or a decrease of THB 2.1 million. This is mainly due to the recording of income tax expenses in the current period of a subsidiary.

Loss for the Period

Loss for the second quarter of 2026, when compared to the same quarter of the previous year, decreased from THB 14.1 million to THB 7.1 million, or a decrease of THB 7.0 million or 50.0 percent, resulting from the main reasons mentioned above.

3. Operating results for the six-month period ended June 30, 2026

3.1 Summary of the operating results for the six-month period ended June 30, 2026

(Thousand Baht)	6M' 2026	6M' 2025	+/(-)	+/(-)%
Services Income	60,794	53,702	7,092	13.2%
Cost of Providing Services	(28,129)	(28,415)	286	1.0%
Gross Profit	32,665	25,287	7,378	29.1%
Gross Profit (%)	53.7%	47.1%		
Other Income	193	882	(689)	(78.1%)
Gain from Disposal of Investment	-	1,040	(1,040)	(100.0%)
Selling and Marketing Expenses	(6,880)	(6,946)	66	1.0%
Administrative Expenses	(31,995)	(29,281)	(2,714)	(9.3%)
Reversal of Impairment on Investment in Joint Venture	292	-	292	100.0%
Finance Costs	(527)	(584)	57	9.8%
Share of Loss of Associate and Joint Venture accounted for using the Equity Method	(292)	(4,623)	4,331	93.7%
Income Tax Expense	(3,212)	(2,872)	(340)	(11.9%)
Loss for the Period	(9,756)	(17,097)	7,341	42.9%

3.1 Summary of the operating results for the six-month period ended June 30, 2026 (Continued)

	6M' 2026	6M' 2025	+/(-)	+/(-)%
Loss per Share (Baht)	(0.0252)	(0.0326)		

3.2 Clarification for the Group's operating results for the six-month period ended June 30, 2026

Services Income

Services income for the first six-month period of 2026, when compared to the same period of the previous year, increased from THB 53.7 million to THB 60.8 million, or an increase of THB 7.1 million, or 13.2 percent. This is mainly due to the e-commerce and related services business having an average revenue per job that increased by 25.2 percent, while there was no revenue from the event management services business during the first six-month period of both years. The top five events with the highest revenue recognition in the current period are: (1) Singha Life Presents S2O Songkran Music Festival, (2) EDC Thailand 2026, (3) PEPSI Presents X Festival 2026, (4) PEPSI Presents "OLYMPOP 2", and (5) MAMA Presents "CLUB 30 CONCERT".

Cost of Providing Services

Cost of providing services for the first six-month period of 2026, compared to the same period of the previous year, decreased from THB 28.4 million to THB 28.1 million, or a decrease of THB 0.3 million, or 1.0 percent. This resulted from the current quarter's revenue mix from e-commerce and related services business, which largely consists of fixed service costs.

Gross Profit

Gross profit for the first six-month period of 2026, compared to the same period of the previous year, increased from THB 25.3 million to THB 32.7 million, or an increase of THB 7.4 million or 29.1 percent. This resulted from the current quarter's revenue mix from e-commerce and related services business, which largely consists of fixed service costs.

Gain from Disposal of Investment

Gain from disposal of investment for the first six-month period of 2026, compared to the same period of the previous year, decreased by THB 1.0 million. This was mainly due to the recognition of profit from the sale of investment in associate company in Cambodia from the previous year, while there were no such sales in the current period.

Administrative Expenses

Administrative expenses for the first six-month period of 2026 increased from THB 29.3 million to THB 32.0 million, or an increase of THB 2.7 million or 9.3 percent compared to the previous year. This was mainly due to increased expenses related to building relationships with strategic partners and target customer groups.

Share of Loss of Associate and Joint Venture accounted for using the Equity Method

Share of loss of associate and joint venture accounted for using the equity method for the first six-month period of 2026, compared to the same quarter of the previous year, decreased from THB 4.6 million to THB 0.3 million, or a decrease of THB 4.3 million. This was mainly due to the recognition of losses from the underperforming results of new film releases in the previous year, while no new films were released in the current year. Furthermore, no additional such losses were recognized in the second quarter of the current year because the group sold all its investments in associates and joint ventures at the end of the first quarter of the current year.

Loss for the Period

Loss for the first six-month period of 2026, when compared to the same period of the previous year, decreased from THB 17.1 million to THB 9.8 million, or a decrease of THB 7.3 million or 42.9 percent, resulting from the main reasons mentioned above.

4. Analysis of the Group's financial position and cash flow

4.1 Summary of the statement of financial position as at June 30, 2026

(Thousand Baht)	June 30, 2026	December 31, 2025	+/(-)	+/(-) %
Assets				
Cash and Cash Equivalents	148,863	136,455	12,408	9.1%
Trade and Other Current Receivables, net	11,611	23,194	(11,583)	(49.9%)
Other Current Assets	11,702	24,166	(12,464)	(51.6%)
Investment in Joint Venture, net	-	9,000	(9,000)	(100.0%)
Right-of-use assets	10,402	9,901	501	5.1%
Goodwill, net	49,312	49,312	-	-
Intangible Assets, net	7,889	4,650	3,239	69.7%
Other Non-Current Assets	22,300	8,719	13,581	155.8%
Total Assets	262,079	265,397	(3,318)	(1.3%)

4.1 Summary of the statement of financial position as at June 30, 2026 (Continued)

(Thousand Baht)	June 30, 2026	December 31, 2025	+/(-)	+/(-) %
Liabilities				
Trade and Other Current Payables	15,005	12,849	2,156	15.8%
Other Current Liabilities	9,671	5,511	4,160	75.5%
Lease Liabilities	8,268	8,438	(170)	(2.0%)
Other Non-Current Liabilities	2,505	2,213	292	13.2%
Total Liabilities	35,449	29,011	6,438	22.2%
Equity				
Equity attributable to Owners of the Parent	218,509	234,890	(16,381)	(7.0%)
Non-Controlling Interests	8,121	1,496	6,625	442.8%
Total Equity	226,630	236,386	(9,756)	(4.1%)
Total Liabilities and Equity	262,079	265,397	(3,318)	(1.3%)

Assets

As of June 30, 2026, the Group had total assets of THB 262.1 million, a decrease of THB 3.3 million, or 1.3 percent from December 31, 2025. This increase is primarily due to:

- Cash and cash equivalents increased by THB 12.4 million or 9.1 percent, mainly due to cash generated from operating activities THB 9.2 million and from investing activities THB 4.5 million.
- Trade and other current receivables, net decreased by THB 11.6 million, or 49.9 percent, mainly resulting from the receipt of payments from trade receivables in the event management services business, which revenue recognized at the end of the previous year, while there was no revenue from that business in the current period.
- Investment in joint venture, net decreased by THB 9.0 million, resulting from the sale of the entire investment in Transformation Films Company Limited at the end of the first quarter of this year.
- Intangible assets, net increased by THB 3.2 million due to the purchase of computer software for use in the group's operations.
- Other current assets decreased by THB 12.5 million, while other non-current assets increased by THB 13.6 million. This was mainly due to the reclassification of the THB 13.7 million withholding tax deducted at sources refund from current assets to non-current assets, as the estimated refund period exceeded one year.

Liabilities

As of June 30, 2026, the Group had total liabilities of THB 35.5 million, an increase of THB 6.4 million, or 22.2 percent from December 31, 2025. This increase was primarily due to: -

- Trade and other current payables increased by THB 2.2 million, mainly due to an increase in outstanding marketing sponsorship accounts payable of a subsidiary in the current year.
- Other current liabilities increased by THB 4.2 million, or 75.5 percent, mainly due to the recording of accrued corporate income tax payable for a period of THB 3.3 million by a subsidiary, and an increase in current contract liabilities due to higher prepaid revenue from the e-commerce and related services business at the end of the current period.

Equity

As of June 30, 2026, the Group had total equity of THB 226.6 million, a decrease of THB 9.8 million, or 4.1 percent from December 31, 2025. This was mainly due to the recognition of operating results for the period. In addition, non-controlling interests increased by THB 6.6 million, in line with the improved performance of a subsidiary.

4.2 Summary of the statement of cash flows for the six-month period ended June 30, 2026

(Thousand Baht)	Consolidated Financial Information	Separate Financial Information
Net cash generated from (used in) operating activities	9,211	(11,226)
Net cash generated from (used in) investing activities	4,502	5,400
Net cash generated from (used in) financing activities	(1,305)	(415)
Net increase (decrease) in cash and cash equivalents	12,408	(6,241)
Cash and cash equivalents at the beginning of the year	136,455	123,498
Cash and cash equivalents at the end of the year	148,863	117,257

As of June 30, 2026, the Group had cash and cash equivalents of THB 148.9 million, an increase of THB 12.4 million from December 31, 2025, and the Company had cash and cash equivalents of THB 117.3 million, a decrease of THB 6.2 million from December 31, 2025. The details of cash flow by activity are as follows: -

Consolidated Financial Information

- The Group had a loss before income tax of THB 6.5 million and after adjusting the loss by non-cash and related cash items, the Group had net cash flow generated from operating activities of THB 9.2 million in the current period.

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- The Group had net cash flow generated from investing activities of THB 4.5 million, mainly from the sale of investment in joint venture amounting to THB 9.0 million, while there was cash used in the purchase of equipment and software of THB 4.5 million.
- The Group had cash flow used in financing activities of THB 1.3 million is the repayment of principal under the lease agreement.

Separate Financial Information

- The Company had a loss before income tax of THB 23.0 million and after adjusting the loss by non-cash and related cash items, the Company had net cash flow used in operating activities of THB 11.2 million in the current period.
- The Company had net cash flow generated from investing activities of THB 5.4 million, primarily from the sale of investments in joint ventures amounting to THB 9.0 million, while there was cash used in the purchase of computer software of THB 3.6 million.
- The Company had cash flow used in financing activities of THB 0.4 million is the repayment of principal under the lease agreement.

Please be informed accordingly.

Yours sincerely,

(Mr.Thawan Petchlawlian)

Chief Financial Officer