



ZAA-009/2025

May 8, 2025

Subject: Submit the consolidated financial statements of the Company and its subsidiaries for the first quarter ended March 31, 2025, and clarification for the operating results for the period.

Attention: President, The Stock Exchange of Thailand

ZALEKTA Public Company Limited ("ZAA") would like to submit the consolidated financial statements of the Company and its subsidiaries for the first quarter ended March 31, 2025, which was audited by the authorized auditor of PricewaterhouseCooper ABAS Co., Ltd. and approved by the Board of Directors Meeting No.3/2025 held on May 8, 2025, and would like to inform the operating results for the first quarter of the year 2025 of the Company and its subsidiaries (collectively referred to as the "Company") as follows;

1. Significant event and development for the first quarter of the year 2025

- The Stock Exchange of Thailand (SET) posted CB (Caution - Business) signs to the Company effective from February 24, 2025 as the Group contains equity of ordinary shares less than 50% of paid-up share capital. As at December 31, 2024, the Company contains equity 46% of ordinary shares according to the consolidated financial statements. As at March 31, 2025, the Company still contains equity 45% of ordinary shares according to the consolidated financial statements. Currently, the Company's management has conducted a meeting for providing information and explaining the plan to resolve this matter. Then on 9 April 2025, the Company's Board of Directors Meeting No. 2/2025 resolved to propose to the shareholders' meeting to consider and approve the change in par value of the Company's shares by reversing stock split from 1,313,117,176 registered shares with a par value of THB 0.50 per share to 656,558,588 registered shares with a par value of THB 1 per share. This results in a decrease in the number of the Company's registered shares by 656,558,588 shares, and 1,300,119,176 paid-up shares with a par value of THB 0.50 per share to 650,059,588 paid-up shares with a par value of THB 1 per share. This results in a decrease in the number of the Company's paid-up shares by 650,059,588 shares. Additionally, the meeting resolved to propose to the shareholders' meeting to consider and approve the reduction of the registered and paid-up capital of the Company by reducing the par value of the Company's shares from the original par value of THB 1 per share to THB 0.50 per share to compensate for the accumulated losses of the Company in the amount of THB 325,029,794, with the number of ordinary registered shares and paid-up shares of the Company remaining the same at 656,558,588 shares and 650,059,588 shares, respectively.



Moreover, the meeting resolved to convene the Extraordinary General Meeting of Shareholders No. 1/2025 to consider and approve the aforementioned matters on May 19, 2025.

- The Stock Exchange of Thailand (SET) posted CF (Caution - Free Float) signs to the Company effective from June 5, 2024. Currently, the Company is exploring the suitable resolution and engaging in discussions with a Major Shareholder. The Company will provide updates accordingly.

2. Operating results for the first quarter ended March 31, 2024

2.1 Summary of the operating results for the first quarter ended March 31, 2025.

(Thousand Baht)	Q1' 2025	Q1' 2024	+/(-)	+/(-)%
Revenues	32,168	29,184	2,984	10.2%
Cost of Services	(13,613)	(9,436)	(4,177)	(44.3%)
Gross Profit	18,555	19,748	(1,193)	(6.0%)
Other Income	463	1,805	(1,342)	(74.3%)
Gain from Disposal of Investment	1,040	-	1,040	100.0%
Selling Expenses and Distribution Costs	(4,749)	(5,297)	548	10.3%
Administrative Expenses	(14,634)	(16,872)	2,238	13.26%
Expected Credit Loss	-	(300)	300	100.0%
Finance Costs	(309)	(65)	(244)	(375.4%)
Share of Profit (Loss) of Associates and Joint Venture				
Accounted for Using the Equity Method	(3,670)	3,138	(6,808)	(217.0%)
Income Tax Income	338	207	131	63.3%
Profit (Loss) for the Period	(2,966)	2,364	(5,330)	(225.5%)
Basic Earnings (Loss) per Share (Baht)	(0.0067)	0.0018	(0.0085)	(472.2%)

2.2 Clarification for the Company's operating results for the first quarter ended March 31, 2025.

Revenues

Total revenue for the first quarter of 2025, compared to the same quarter of previous year, raised from THB 29.2 million to THB 32.2 million or increases of THB 3.0 million or 10.2%. This was mainly due to an increase in revenue from the e-commerce and event management service business, which are new businesses that the Company has invested in and has started recognizing results since April 2024, while revenue from the films production and film rights distribution business decreased as a result of the Company's business restructuring.

Cost of Services

Cost of services for the first quarter of 2025, compared to the same quarter of previous year, increased from THB 9.4 million to THB 13.6 million or increased of THB 4.2 million or 44.3%. This was mainly due to



the recognition of higher service costs of the e-commerce and event management service business in line with the increase in revenue, while service costs of the films production and film rights distribution business decreased as a result of the Company's business restructuring.

Gross Profit

Gross profit for the first quarter of 2025, compared to the same quarter of previous year, decreased from THB 19.7 million to THB 18.6 million, or decreased of THB 1.2 million or 6%. This is mainly due to the restructuring of the business, which began to recognize the results of the e-commerce and event management service business as the Company's main business in the current quarter, while in the previous year, it still recognized the results of the films production and film rights distribution business as the main business.

Other Income

Other income for the first quarter of 2025, compared to the previous year, decreased from THB 1.8 million to THB 0.5 million, or a decrease of THB 1.3 million, mainly due to a decrease in gain on exchange rate of a subsidiary.

Gain from Disposal of Investment

Gain from disposal of investment for the first quarter of 2025, compared to the previous year, increased by THB 1.0 million, mainly from gain from disposal of investment in associates in Cambodia.

Selling Expenses and Distribution Costs

Selling expenses and distribution costs for the first quarter of 2025, compared to the previous year decreased from THB 5.3 million to THB 4.7 million, or a decrease of THB 0.5 million, mainly due to lower advertising expenses, with an increased focus on advertising and marketing via online systems.

Administrative Expenses

Administrative expenses for the first quarter of 2025, compared to the previous year, decreased from THB 16.9 million to THB 14.6 million, or a decrease of THB 2.2 million, mainly due to a decrease in employee expenses of the films production and film rights distribution business resulting from the Company's business restructuring, together with a decrease in legal consulting fees.

Share of Profit (Loss) of Associates and Joint Venture Accounted for Using the Equity Method

Share of profit (loss) from investments in associates and joint ventures accounted for using the equity method for the first quarter of 2025, compared to the previous year, decreased from a share of profit of THB 3.1 million to a share of loss of THB 3.7 million, or a decrease of THB 6.8 million, mainly due to the recognition of a share of loss from an associate that recognized a share of loss from a joint venture due



to the performance after the screening of the film not being as expected, coupled with a decrease in unrealized exchange gains on foreign currency trade receivables at the end of the period.

Profit (Loss) for the Period

Profit (Loss) for the first quarter of 2025, when compared to the same period of previous year, decreased from net profit of THB 2.4 million to net loss of THB 3.0 million or decreased of THB 5.3 million as a result of the above main reasons.

3. Analysis of the Company's financial position and cash flow

3.1 Summary of the statement of financial position as at March 31, 2025.

(Thousand Baht)	March 31, 2025	December 31, 2024	+/(-)	+/(-) %
Assets				
Cash and Cash Equivalents	195,924	182,484	13,440	7.4%
Trade and Other Current Receivables	4,555	25,054	(20,499)	(81.9%)
Other Current Assets	22,307	21,507	800	3.7%
Investment in Associates and Joint Arrangements, net	24,416	34,020	(9,604)	(28.2%)
Right-of-use assets	11,631	12,207	(576)	(4.7%)
Goodwill, net	49,312	49,312	-	-
Other Intangible Assets, net	5,086	5,217	(131)	(2.5%)
Other Non-Current Assets	8,969	8,744	225	2.6%
Total Assets	322,200	338,545	(16,345)	(4.8%)
Liabilities				
Trade and Other Current Payables	14,595	30,552	(15,957)	(52.2%)
Other Current Liabilities	8,972	5,411	3,561	65.8%
Lease Liabilities	10,024	10,522	(498)	(4.7%)
Other Non-Current Liabilities	1,572	1,751	(179)	(10.2%)
Total Liabilities	35,163	48,236	(13,073)	(27.1%)
Equity				
Equity attributable to Owner of the Company	280,340	289,299	(8,959)	(3.1%)
Non-Controlling Interests	6,697	1,010	5,687	563.1%
Total Equity	287,037	290,309	(3,272)	(1.1%)
Total Liabilities and Equity	322,200	338,545	(16,345)	(4.8%)

Assets

On March 31, 2025, the Company had total assets of THB 322.2 million, a decrease of THB 16.3 million, or 4.8% from December 31, 2024 mainly due to: -



- Cash and cash equivalents increased by THB 13.4 million or 7.4%, mainly due to cash generated from operations.
- Trade and other current receivables decreased by THB 20.5 million as a result of receiving payments from trade receivables from the films production and film rights distribution business, while there were no new receivables in this business as a result of the Company's business restructuring. In addition, most of the trade transactions of the e-commerce and event services business have short credit terms.
- Investments in associates and joint arrangements, net decreased by THB 9.6 million, mainly due to the disposal of investments in associates and recognition of share of profit (loss) for the period.

Liabilities

On March 31, 2025, the Company had total liabilities of THB 35.2 million, a decrease of THB 13.1 million, or 27.1% from December 31, 2024 mainly due to: -

- Trade and other current payables decreased by THB 16.0 million as a result of payments to trade payables of the films production and film rights distribution business, while there were no new payables in this business as a result of the Company's business restructuring. In addition, most of the trade transactions of the e-commerce and event services business have short credit terms.
- Other current liabilities increased by THB 3.6 million as a result of receiving advance payment for service fees from subsidiaries that are awaiting recognition as revenue in the following period.

Equity

On March 31, 2025, the Company had total equity of THB 287.0 million, a decrease of THB 3.3 million, or 1.1% from December 31, 2024. This was mainly due to the recognition of operating results for the period, while other components of equity changed only slightly.

3.2 Summary of the statement of cash flows for the first quarter ended March 31, 2025.

(Thousand Baht)	Consolidated Financial Information	Separate Financial Information
Net cash flows from / (used in) operating activities	16,168	(9,407)
Net cash flows from / (used in) investing activities	(765)	4,911
Net cash flows from / (used in) financing activities	(1,963)	(187)
Net increase / (decrease) in cash and cash equivalents	13,440	(4,683)
Cash and cash equivalents at the beginning of period	182,484	165,467
Cash and cash equivalents at the end of period	195,924	160,784



As of March 31, 2025, the Company had cash and cash equivalents of THB 195.9 million, an increase of THB 13.4 million from December 31, 2024, and ZAA had cash and cash equivalents of THB 160.8 million, a decrease of THB 4.7 million from December 31, 2024. Details of cash flows in each activity are as follows: -

Consolidated Financial Information

- The Company had a loss before income tax of THB 3.3 million and after adjusting the loss by non-cash and related cash items, the Company had net cash flow from operating activities of THB 16.2 million in the current period.
- The Company had cash flow used in investing activities of THB 0.8 million, most of which was cash used to purchase equipment for providing event services for a subsidiary company.
- Cash flow used in financing activities of THB 2.0 million was mainly due to the repayment of short-term loan from director of subsidiary.

Separate Financial Information

- ZAA had a loss before income tax of THB 5.6 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 9.4 million in the current period.
- ZAA had cash flow from investing activities of THB 4.9 million, mostly from the repayment of short-term loans to a subsidiary.
- Cash flow used in financing activities of THB 0.2 million is the repayment of principal under the ZAA lease agreement.

Please be informed accordingly.

Yours sincerely,

(Mr.Thawan Petchlawlian)

Chief Financial Officer