

AJA.007/2026

May 13, 2026

Subject Management Discussion and Analysis of the Consolidated Financial Statements for the First
Quarter of 2026

To Committee and Manager

The Stock Exchange of Thailand

Executive Summary

During the first quarter of 2026, AJ Advance Technology Public Company Limited (the “Company” or “AJA”) continued to operate under challenging economic conditions and intense competition, particularly in the technology, new energy, and electric vehicle industries, which remain in a transitional phase in terms of market dynamics and consumer behavior. As a result, the Company has continued to operate with prudence, while placing emphasis on liquidity management and ongoing cost control measures.

Over the past period, the Company has focused on restructuring its business operations in line with industry transformation trends, with particular emphasis on the development of new energy businesses and the EV Ecosystem, alongside enhancing operational efficiency and internal management in order to support long-term growth.

In the EV Bike business segment, the Company remains in the process of market expansion and sales channel development, while also establishing collaborations with both domestic and international business partners to support the development of battery systems, related technologies, and infrastructure associated with the energy and electric vehicle sectors. This remains one of the Company’s key strategic directions for future business growth.

At the same time, the Company has continued implementing cost management and expense control measures, including asset management, review of non-essential expenditures, and operational efficiency improvements to align with prevailing economic conditions and market trends, as well as prudent risk management in investments and business operations.

Furthermore, the Company continues to emphasize long-term business sustainability through the exploration of investment opportunities and partnerships related to new energy, technology, and financial services that support the Mobility and Energy ecosystem, with the aim of enhancing competitiveness and generating new sources of revenue in the future.

Outlook and Future Prospects

The Company expects that the economic environment and business competition in 2026 will remain challenging. Nevertheless, the Company believes that the new energy and electric vehicle industries continue to offer strong long-term growth potential. The Company will continue to focus on developing its

EV Ecosystem, expanding strategic partnerships, and improving operational efficiency on an ongoing basis.

At the same time, the Company will continue to prioritize cost management, liquidity management, and prudent investment strategies in order to strengthen its financial position and support sustainable long-term growth of the Group.

Operating Results

According to the resolution of the Board of Directors' Meeting No. 4/2026 of AJ Advance Technology Public Company Limited (the "Company"), held on 13 May 2026, the Board approved the financial statements for the first quarter of 2026 ended 31 March 2026. The Company reported a net loss attributable to equity holders of the Company of THB 24.80 million, representing an improvement of THB 12.10 million or 32.79% compared to the same period of the previous year, in which the Company reported a net loss attributable to equity holders of THB 36.90 million.

Operating Results for the First Quarter of 2026 Compared with the First Quarter of 2025

Account	First Quarter of 2026	First Quarter of 2025	Change	
			Increase / (Decrease)	percentage
Revenue from sales of goods and rendering				
Revenue from sales of goods	22.39	42.86	(20.47)	(47.76)
Revenue from rendering of services	0.85	0.37	0.48	129.73
Revenue from mining digital currency	0.45	1.03	(0.58)	(56.31)
Other Income	1.06	0.77	0.29	37.66
Total Income	24.75	45.03	(20.28)	(45.04)
Cost of sales and rendering services	13.27	31.60	(18.33)	(58.01)
Cost of mining digital currency	1.62	9.58	(7.96)	(83.09)
Distribution costs	10.73	15.29	(4.56)	(29.82)
Administrative expenses	18.92	21.21	(2.29)	(10.80)
Loss of impairment of digital assets	2.47	3.78	(1.31)	(34.66)
Finance costs	0.84	1.14	(0.30)	(26.32)
Total Expense	47.85	82.60	(34.75)	(42.07)
Gains and reversals of impairment losses (Loss from impairment) - TFRS	(2.16)	0.20	(2.36)	(1,180.00)

Profit (loss) before income tax expense	(25.26)	(37.37)	12.11	32.41
Profit (loss) for the period	(25.01)	(37.10)	12.09	32.59
Profit (loss) for the period attributable to equity holders of the Company	(24.80)	(36.90)	12.10	32.79

The Company would like to report the operating results for the first quarter of 2026 ended 31 March 2026, in relation to changes exceeding 20% compared to the same period of the previous year. The key reasons are summarized as follows:

1. Total revenue amounted to THB 24.75 million, decreasing by THB 20.28 million or 45.04% compared to THB 45.03 million in the same period of the previous year. The changes in total revenue by category are summarized as follows:

- Revenue from sales amounted to THB 22.39 million, decreasing by THB 20.47 million or 47.76% compared to THB 42.86 million in the same period of the previous year. The decrease was mainly attributable to lower sales of electric motorcycles (EV Bikes) and sports footwear products amid continued challenging market competition.
- Service revenue amounted to THB 0.85 million, increasing by THB 0.48 million or 129.73% compared to the same period of the previous year. The increase reflected the commencement of additional service-related income and business support activities.
- Revenue from Bitcoin mining amounted to 0.188029250 Bitcoin, equivalent to THB 0.45 million, decreasing by THB 0.58 million or 56.31% compared to THB 1.03 million in the same period of the previous year. The decrease was mainly due to the reduction in the number of mining machines in operation.

2. Cost of sales and services amounted to THB 13.27 million, decreasing by THB 18.33 million or 58.01% compared to THB 31.60 million in the same period of the previous year, in line with the decrease in sales revenue.

3. Bitcoin mining costs amounted to THB 1.62 million, decreasing by THB 7.96 million or 83.09% compared to THB 9.58 million in the same period of the previous year. The decrease was primarily attributable to efficient management of mining equipment and energy costs, as well as the reduction of operations in areas that did not generate appropriate economic returns.

4. Loss on impairment of digital assets amounted to THB 2.47 million, decreasing from THB 3.78 million in the same period of the previous year, or a decrease of 34.66%. The loss resulted from the recognition of fair value adjustments of digital assets in accordance with the relevant accounting standards.

5. Selling expenses amounted to THB 10.73 million, decreasing by THB 4.56 million or 29.82% compared to THB 15.29 million in the same period of the previous year. The decrease was mainly attributable to the decline in sales revenue.

Consolidated Financial Position

As of 31 March 2026 and 31 December 2025, the Company's total assets amounted to THB 607.47 million and THB 634.27 million, respectively. Total assets as of 31 March 2026 decreased by THB 26.80 million or 4.22% compared to the previous year-end, mainly due to changes in the following significant items:

Current assets

Statement of financial position (Unit: THB Million)	2026 As at 31 Mar	2025 As at 31 Dec	Increased (Decreased)	
			THB Million	Percent
Current assets				
Cash and cash equivalents	18.90	42.61	(23.71)	(55.65)
Trade and other current receivables	47.99	51.55	(3.56)	(6.91)
Inventories	47.94	55.09	(7.15)	(12.98)
Other current assets - Total	9.53	8.55	0.98	11.46
Total current assets	124.36	157.80	(33.44)	(21.19)

As of 31 March 2026 and 31 December 2025, the Company's total current assets amounted to THB 124.36 million and THB 157.80 million, respectively. Total current assets decreased by THB 33.44 million or 21.19% compared to the previous year-end.

The significant changes are summarized as follows:

- Cash and cash equivalents decreased by THB 23.71 million or 55.65% , mainly due to the utilization of working capital for business operations, including the placement of collateral through bank guarantees (BGs), resulting in a decrease in cash and cash equivalents as of the end of the period compared to the previous year-end.
- Inventories decreased by THB 7.15 million or 12.98% , primarily due to prudent inventory management in line with slower sales conditions and tighter inventory quality control measures.

Non-current assets

Statement of financial position (Unit: THB Million)	2026 As at 31 Mar	2025 As at 31 Dec	Increased (Decreased)	
			THB Million	Percent
Non-current assets				
Other non-current financial assets	22.55	12.55	10.00	79.68
Property, plant and equipment	414.13	415.94	(1.81)	(0.44)
Right-of-use assets	22.78	24.79	(2.01)	(8.11)
Cryptocurrency assets	9.12	11.16	(2.04)	(18.28)
Other Non-current assets – Total	14.53	12.01	2.52	20.98
Total non-current assets	483.11	476.46	6.65	1.40

As of 31 March 2026 and 31 December 2025, the Company's total non-current assets amounted to THB 483.11 million and THB 476.46 million, respectively. Total non-current assets increased by THB 6.65 million or 1.40% compared to the previous year-end, mainly due to an increase in other non-current financial assets arising from collateral placements through bank guarantees (BGs) to support the Company's project operations.

Liabilities and Equity

Current liabilities

Statement of financial position (Unit: THB Million)	2026 As at 31 Mar	2025 As at 31 Dec	Increased (Decreased)	
			THB Million	Percent
Current liabilities				
Trade and other current payables	24.22	24.88	(0.66)	(2.65)
Current portion of lease liabilities	5.73	6.12	(0.39)	(6.37)
Other current liabilities - Total	2.78	1.82	0.96	52.75
Total current liabilities	32.73	32.82	(0.09)	(0.27)

Non-current liabilities

Statement of financial position (Unit: THB Million)	2026 As at 31 Mar	2025 As at 31 Dec	Increased (Decreased)	
			THB Million	Percent
Non-current liabilities				
Lease liabilities	17.92	19.51	(1.59)	(8.15)
Deferred tax liabilities	42.54	42.79	(0.25)	(0.58)
Other non-current liabilities – Total	5.48	5.33	0.15	2.81

Total non-current liabilities	65.94	67.63	(1.69)	(2.50)
Total liabilities	98.67	100.46	(1.78)	(1.77)

As of 31 March 2026 and 31 December 2025, the Company's total liabilities amounted to THB 98.67 million and THB 100.46 million, respectively. Total liabilities decreased by THB 1.78 million or 1.77% compared to the previous year-end. The decrease was mainly attributable to the reduction in lease liabilities as the Company continued repayment obligations and reduced leased spaces with insufficient revenue generation relative to operating costs.

Equity

As of 31 March 2026 and 31 December 2025, total shareholders' equity amounted to THB 508.80 million and THB 533.81 million, respectively. Shareholders' equity decreased by THB 25.01 million or 4.69% , mainly due to the operating loss incurred during the current period.

Company cash flows

Cash flows (Unit: THB Million)	Year 2026 As at 31 Mar	Year 2025 As at 31 Mar
Net cash provided by (used in) operation activities		
1. Cash flows from operating activities	(9.80)	(7.25)
2. Cash flows from investing activities	(11.64)	(0.55)
3. Cash flows from financing activities	(2.27)	(3.85)
Net increase (decrease) in cash	(23.71)	(11.65)

As of 31 March 2026, the Company reported a net decrease in cash and cash equivalents of THB 23.71 million, consisting of:

- Net cash used in operating activities of THB 9.80 million, mainly resulting from operating losses during the period.
- Net cash used in investing activities of THB 11.64 million, mainly attributable to collateral placements through bank guarantees (BGs) to support the Company's project operations.
- Net cash used in financing activities of THB 2.27 million, primarily from lease payments and interest expenses.

Please be informed accordingly.

Sincerely Yours,

(Mrs. Prangthip Chanvisitsak)

Company Secretary

