

NO. ZIGA 004/2026

14 May 2026

Subject: Management explanation and analysis Quarter 1/2026 ending 31 March 2026
Attention: Director and Managing Director
The Stock Exchange of Thailand

ZIGA INNOVATION PUBLIC COMPANY LIMITED (“the Company”) would like to report its operating results for the first quarter of 2026 ended March 31, 2026. The Company continues to demonstrate strong business growth and operational efficiency despite recognizing accounting items related to digital assets.

In the first quarter of 2026, the Company recorded revenue from sales amounting to THB 160.0 million, resulting in a high gross profit of THB 30.6 million, representing a gross profit margin of 18.9%. This reflects the Company’s success in cost management and its sales strategy focusing on high-margin products.

However, the overall operating results were affected by the recognition of an accounting loss related to digital assets (Bitcoin) amounting to THB 6.3 million (equivalent to a fair value decrease of THB 2.2 million per Bitcoin). Such loss resulted from a decline in the fair value of Bitcoin in the global market as of the accounting closing date. This accounting loss was recognized in accordance with applicable financial reporting standards and represents only an unrealized loss, which has not actually occurred. Therefore, it does not affect the Company’s cash flow or the operational performance of its core business.

Nevertheless, as of May 13, 2026, the price of Bitcoin has rebounded significantly, with the fair value increasing by THB 2.6 million per Bitcoin.

Business Overview and Nature of Operations

ZIGA Innovation Public Company Limited (“ZIGA” or the “Company”) originated from a manufacturer of standard galvanized steel conduits under the “DAIWA” brand, which gained recognition among contractors in both domestic and export markets. The Company subsequently developed the “ZIGA” brand to introduce innovative alternatives to traditional galvanized steel pipes and painted steel pipes. Through continuous business development, the Company successfully expanded its production capacity for Pre-zinc steel pipes.

At present, the Company is recognized as a market leader in the Pre-zinc steel pipe industry and has gained widespread trust from customers across various large-scale projects nationwide. The Company also operates a production facility for structural steel, Steel Sheet, and Non-Steel products to provide comprehensive solutions covering projects of all sizes, from large-scale industrial customers to general users. In addition, the Company maintains manufacturing standards that support future export opportunities.

The Company has strategically enhanced its inventory management system to improve flexibility, reduce inventory turnover periods, and effectively control production costs. Furthermore, the Company has developed “High Micron Steel,” an innovative steel product with enhanced corrosion resistance that does not require conventional chemical coating processes, supporting the Company’s commitment toward Net Zero targets and environmentally sustainable manufacturing.

The Company's products are galvanized steel materials that eliminate the need for anti-rust painting, aligning with the growing demand for green building projects (LEED) and customers who prioritize quality standards and sustainability. Although the market currently includes low-quality imported products, the Company remains confident in its product quality and long-term competitive advantage, particularly as government regulations become increasingly stringent and consumer preference and confidence continue to shift toward products manufactured under internationally certified Thai industrial standards.

ZIGA Innovation Public Company Limited (“the Company”) would like to clarify operating performance of the Company Quarter 1/2025 ending 31 March 2026 are as follows:

Unit: THB

Operating Results	Separate	Consolidated Financial Statements				
	Financial				% Increase	% Increase
	Statements	Q1/2026	Q1/2025	Q4/2025	(Decrease)	(Decrease)
	Q1/2026	Q1/2026	Q1/2025	Q4/2025	YoY	QoQ
Revenue from sales of goods	160.0	160.0	145.0	129.9	10.4%	23.2%
Revenue from digital assets	-	0.8	1.0	1.2	-16.8%	-31.9%
Other income	4.8	2.3	2.5	2.5	-8.4%	-8.5%
Cost of sales and digital assets	-129.5	-129.7	-114.8	-112.2	13.0%	15.5%
Gain (Loss) on foreign exchange	2.3	2.3	-0.7	-0.4	-446.3%	-713.7%
Reversal of (Expected) credit losses on trade and other current receivables	0.9	-0.1	-0.5	-0.1	-90.2%	-2.2%
Impairment loss on digital assets	-	-6.3	-	-5.9	-100.0%	6.6%
Loss on exchange of digital assets	-	-	-	-0.1	0.0%	-100.0%
Impairment loss on short-term loans and accrued interest income to subsidiaries	-1.4					
Distribution costs	-5.8	-5.7	-4.6	-5.5	25.9%	4.9%
Administrative expenses	-14.1	-14.4	-14.0	-13.9	3.1%	3.7%
Finance costs	-1.3	-1.3	-1.2	-1.2	7.5%	7.3%
Net Profit (Loss)	12.8	4.6	9.7	-6.4	-52.1%	-172.9%
Net Profit (Loss) Margin (%)	7.6%	2.8%	6.5%	-4.8%	-57.0%	-158.9%
EBITDA (Million Baht)	25.9	17.9	22.6	4.3	-20.8%	314.8%
EBITDA (%)	15.7%	10.9%	15.2%	3.2%	-28.0%	239.8%
Earnings per share (Baht)	0.02	0.01	0.01	-0.01	0.0%	-215.9%
Financial Ratios :						
Debt to Equity Ratio (Times)	0.19	0.33	0.29	0.38		
Interest Coverage Ratio (Times)	19.73	13.58	18.44	13.59		
Debt Service Coverage Ratio (DSCR) (Times)	0.48	0.41	0.94	0.38		

According to the Company's consolidated financial statements, total revenue for the first quarter of 2026 and 2025 amounted to THB 165.5 million and THB 148.5 million, respectively, representing an increase of THB 17.0 million or 11.5% year-on-year. The changes can be summarized as follows:

The Company's revenue from sales for the first quarter of 2026 and 2025 amounted to THB 160.0 million and THB 145.0 million, respectively, representing an increase of THB 15.0 million or 10.4% year-on-year. Such growth was primarily attributable to efficient management practices and prudent cost control, with the Company focusing on high-margin products and reducing exposure to low-profit product categories. As a result, the Company maintained a strong gross profit margin, reflected in the gross profit margin for the first quarter of 2026 of 19.1%, equivalent to gross profit of THB 30.6 million, improving from the gross profit margin of 13.8% recorded in the fourth quarter of 2025.

Revenue from digital assets was generated from cryptocurrency mining operations. In the first quarter of 2026, the Company recorded digital asset mining revenue of THB 0.8 million, compared to THB 1.0 million in the first quarter of 2025, representing a decrease of 16.8%. In addition, during the first quarter of 2026, the Company recognized an unrealized fair value loss on digital assets (Bitcoin) amounting to THB 6.3 million, resulting from the decline in Bitcoin market prices as of the accounting closing date. Such loss was recognized in accordance with financial reporting standards and represents only an unrealized accounting loss, which has no impact on the Company's cash flow.

Other income for the first quarter of 2026 and 2025 amounted to THB 2.3 million and THB 2.5 million, respectively, decreasing by THB 0.2 million or 8.5% year-on-year. In addition, the Company recorded a foreign exchange gain of THB 2.3 million in the first quarter of 2026, compared to a foreign exchange loss of THB 0.7 million in the first quarter of 2025.

The Company recorded expected credit losses on trade receivables and other current receivables of THB 0.1 million and THB 0.5 million in the first quarter of 2026 and 2025, respectively, representing a decrease of 90.2% year-on-year. Nevertheless, amid the current economic conditions, the Company continues to exercise prudence and places importance on maintaining disciplined credit management for customers.

Selling and administrative expenses for the first quarter of 2026 and 2025 amounted to THB 20.2 million and THB 18.6 million, respectively, representing an increase of THB 1.6 million or 8.7% year-on-year. There were no significant changes in the expense structure.

Finance costs for the first quarter of 2026 and 2025 amounted to THB 1.3 million and THB 1.2 million, respectively, increasing by THB 0.1 million or 7.5%, which was generally in line with the corresponding period of the previous year and did not represent any significant change.

The Company reported net profit for the first quarter of 2026 and 2025 of THB 4.6 million and THB 9.7 million, respectively. The Company's net profit margin was 2.8% and 6.5% of total revenue for the first quarter of 2026 and 2025, respectively. Compared to the corresponding period of the previous year, net profit decreased by THB 5.0 million or 52.1%, mainly attributable to the unrealized fair value loss on digital assets (Bitcoin) amounting to THB 6.3 million recognized in accordance with financial reporting standards.

However, when considering the Company's core operating performance excluding such unrealized loss, the Company's core business operations remained strong. Net profit from core operations in the first

quarter of 2026 amounted to THB 12.8 million, representing a net profit margin of 7.6%. In addition, the Company recorded EBITDA of THB 17.9 million for the first quarter of 2026.

Consolidated statement of financial position

Assets

As of March 31, 2026, and December 31, 2025, the Company's total assets amounted to THB 1,103.8 million and THB 1,141.3 million, respectively. As of March 31, 2026, current assets accounted for 37.5% of total assets, while non-current assets accounted for 62.5% of total assets.

	Consolidated statement of financial position			
	31 March 2026		31 December 2025	
	Million Baht	%	Million Baht	%
Current assets	414.0	37.5	437.4	38.3
Non-current assets	689.8	62.5	703.9	61.7
Total assets	1,103.8	100.0	1,141.3	100.0

1. Current assets

As of March 31, 2026, and December 31, 2025, the Company's total current assets amounted to THB 414.0 million and THB 437.4 million, representing 37.5% and 38.3% of total assets, respectively. Significant current assets included inventories of THB 220.8 million, or 20.0% of total assets, followed by trade and other current receivables of THB 80.0 million, or 7.3% of total assets. Total current assets decreased by THB 23.3 million, primarily due to a THB 33.0 million decrease in inventories.

2. Non-current assets

As of March 31, 2026, and December 31, 2025, the Company's total non-current assets were THB 689.8 million and THB 703.9 million, representing 62.5% and 61.7% of total assets, respectively. A major component of non-current assets was Property, Plant, and Equipment (PPE) amounting to THB 574.0 million, accounting for 52.0% of total assets. Net PPE decreased by THB 5.4 million, resulting from THB 1.8 million in asset acquisitions/transfers, offset by THB 7.2 million in depreciation. Additionally, digital assets (BTC) amounted to THB 26.6 million.

Liability

As of March 31, 2026, and December 31, 2025, the Company's total liabilities were THB 272.8 million and THB 315.6 million, respectively. As of March 31, 2026, current liabilities accounted for 95.7% of total liabilities, while non-current liabilities accounted for 4.3% of total liabilities.

Consolidated statement of financial position

	31 March 2026		31 December 2025	
	Million Baht	%	Million Baht	%
Current liabilities	261.2	95.7	303.6	96.2
Non-current liabilities	11.6	4.3	12.0	3.8
Total liabilities	272.8	100.0	315.6	100.0

1. Current liabilities

As of March 31, 2026, and December 31, 2025, the Company's total current liabilities amounted to THB 261.2 million and THB 303.6 million, representing 95.7% and 96.2% of total liabilities, respectively. Current liabilities decreased by THB 42.4 million, primarily due to a THB 30.9 million decrease in short-term borrowings from financial institutions under trust receipt agreements, and a THB 16.1 million decrease in trade and other current payables.

2. Non-current liabilities

As of March 31, 2026, and December 31, 2025, the Company's non-current liabilities were THB 11.6 million and THB 12.0 million, representing 4.3% and 3.8% of total liabilities, respectively. The majority of non-current liabilities consisted of non-current provisions for employee benefits, amounting to THB 7.7 million, or 2.8% of total liabilities.

Shareholders' Equity

As of March 31, 2026, and December 31, 2025, the Company's shareholders' equity was THB 831.0 million and THB 825.7 million, respectively. Shareholders' equity increased by THB 5.3 million, resulting from an increase in retained earnings from the net profit of the first quarter of 2026, which amounted to THB 5.3 million.

Over the past year, the Company has adjusted its product portfolio by reducing the proportion of low-margin products and increasing the share of high-value-added segments. Despite a slight decline in total sales revenue, the Company successfully maintained a satisfactory profit margin. This reflects our efficiency in risk management amidst a highly volatile business environment.

Our direct-to-user marketing strategy, while not yet fully reflected in short-term sales figures, has significantly strengthened brand equity within niche markets. The Company remains confident that this will serve as a vital foundation for long-term expansion, particularly as quality standards are being elevated by the public sector.

Against the backdrop of a global economy impacted by trade wars and ever-changing international tax regulations, the Company has adopted a conservative policy. We have chosen to expand cautiously and refrain from aggressive short-term investments to prioritize stability and long-term sustainability.

Furthermore, the Company prioritizes financial stability by increasing cash flow and managing cash reserves to service interest-bearing debt. Coupled with stringent credit management policies, this has resulted in a reduction of bad debt and a more robust overall capital structure. These measures are designed to withstand economic volatility and maintain long-term shareholder confidence.

Please be informed accordingly,

Yours Sincerely,

(Mr. Suppakit Ngamchitcharoen)
Chief Executive Officer