

2025 Management Discussion Analysis

2025 Highlights

In 2025, Smart Aviation Solutions Public Company Limited (“SAV”) reported total revenues of THB 2,074.9 million, increased by THB 316.0 million or 18.0% YoY. The increase was mainly attributable to the continued recovery of the tourism industry following the COVID-19 situation. However, during late July 2025, there was a partial closure of Cambodian airspace, and the Company was also impacted by the appreciation of the Thai Baht against the US Dollar.

The Company recognized revenue from concession contract work of THB 139.6 million in accordance with Thai Financial Reporting Interpretation Committee (TFRIC) 12: Service Concession Arrangements, recognized at an amount equal to the related concession costs when the invested equipment and systems at Techo International Airport (new Phnom Penh International Airport) became available for use. The airport commenced operations on September 9, 2025.

Meanwhile, the net profit attributable to shareholders was THB 545.8 million, increased by THB 81.5 million or 17.6% YoY.

Financial Performance

Revenue from contracts with customers

In 2025, the Company reported revenue from contracts with customers totaling THB 2,071.0 million, consisting of:

1. Revenue from concession contract work of THB 139.6 million, recognized in the same amount as the corresponding concession costs under the service concession arrangement, when the invested equipment and systems at Techo International Airport (the new Phnom Penh International Airport) became available for use. The airport officially commenced operations on September 9, 2025.

2. Service revenue of THB 1,931.4 million, increased by THB 175.7 million or 10.0% YoY, in line with the increase in the number of flights served. The service revenues are divided into 3 types as follows:

- Service revenues for flights landing and take-off within the country (Landing & Take-off: Domestic)
- Service revenues for international landing and take-off flights (Landing & Take-off: International)
- Service revenues for flights flying through Cambodian airspace (Overflight)

In 2025, the Company’s number of flights and service revenue, classified by flight type, compared with 2024, are as follows:

- Table of the number of flights classified by flight type.

(Unit: Flight)

ITEM	Y2025	Y2024	%YoY
Landing & Take-off : Domestic	5,018	5,390	(6.9%)
Landing & Take-off : International	29,796	26,509	12.4%
Overflight	88,845	71,988	23.4%
Total Flights	123,659	103,887	19.0%

In 2025, the Company had 123,659 flights of all types providing services, increased by 19,772 flights or 19.0% YoY.

- Table of service income classified by flight type, expressed in US dollars and Thai baht.

(Unit: USD million)

ITEM	Y2025	Y2024	%YoY
Landing & Take-off : Domestic	0.5	0.8	(45.7%)
Landing & Take-off : International	18.5	16.3	13.2%
Overflight	39.8	32.7	21.9%
Total Service Income	58.7	49.8	17.9%

(Unit: THB million)

ITEM	Y2025	Y2024	%YoY
Landing & Take-off : Domestic	15.2	30.0	(49.5%)
Landing & Take-off : International	607.4	575.2	5.6%
Overflight	1,308.8	1,150.4	13.8%
Total Service Income	1,931.4	1,755.7	10.0%

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Gross Profit

The Company reported gross profit of THB 1,003.0 million, increased by THB 90.0 million or 9.9% YoY. The gross profit margin stood at 51.9%, calculated excluding revenue from concession contract work, which is recognized at an amount equal to the related concession costs.

In 2025, the Company recognized amortization of intangible assets amounting to THB 18.5 million arising from the discontinuation of some equipment at the former Phnom Penh International Airport, which ceased operations in July 2025. Such expenses were recognized as part of cost of services, following the commencement of operations at Techo International Airport, the new international airport of Phnom Penh. Excluding the impact of this item, the Company would have reported gross profit of Baht 1,021.5 million for 2025, with gross profit margin of 52.9%.

Servicing and administrative expenses

Servicing and administrative expenses amounted to THB 249.7 million, decreased by THB 20.8 million or 7.7% YoY. The decrease was primarily attributable to the recognition of an impairment loss on assets amounting to THB 9.5 million in 2024, following the termination of some assets under the service concession due to the closure of the old Siem Reap International Airport. Such impairment loss was recorded as administrative expenses. In addition, the appreciation of the Thai Baht compared to the previous year resulted in lower expenses when translated into Thai Baht.

Other expenses

Other expenses amounted to THB 62.7 million, increased by THB 7.9 million or 14.3% YoY. The increase was mainly attributable to dividend income received from Cambodia Air Traffic Services Co., Ltd. ("CATS"). In 2024, the

Company received dividends of USD 14.0 million, while in 2025, the Company received dividends totaling USD 18.0 million. As a result, withholding tax expenses on dividend income increased by THB 9.5 million.

The statutory withholding tax rate in Cambodia is 14.00%. However, under the Double Taxation Agreement (DTA) between Thailand and Cambodia, the applicable withholding tax rate is reduced to 10.00%.

Financial Expenses

Financial expenses amounted to THB 5.8 million, decreased by THB 1.3 million or 18.0% YoY due to the appreciation of the Thai Baht.

These finance costs were recognized as interest expenses from the non-current provisions under the service concession, in accordance with TFRIC 12: Service Concession Arrangements.

The liabilities represent estimated future costs expected to be incurred to maintain the concession assets in an operable condition until the end of the concession term, prior to their transfer to the State Secretariat of Civil Aviation of Cambodia (SSCA).

Net Profit

The Company reported net profit attributable to shareholders of THB 545.8 million, which increased by THB 81.5 million or 17.6% YoY.

Financial Position

Assets

As of 31 December 2025, total assets amounted to THB 2,296.7 million, an increase of THB 118.6 million compared to the end of 2024 mainly attributable to an increase in intangible assets of THB 112.2 million,

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primarily from the estimated future investment under the service concession, in accordance with TFRIC 12.

Liabilities

As of 31 December 2025, total liabilities amounted to THB 919.7 million, an increase of THB 267.1 million compared to the end of 2024, mainly due to the recognition of non-current provisions under the service concession arrangement with TFRIC12 representing obligations to maintain the assets until the end of the concession period before transfer to the SSCA.

Shareholder's Equity

As of 31 December 2025, shareholders' equity amounted to THB 1,377.0 million, decreased by THB 148.5 million from the end of 2024. The decrease was mainly attributable to dividend payments of THB 575.4 million and the recognition of treasury stock of THB 16.8 million, partially offset by total comprehensive income for the period of THB 443.7 million.