

1Q 2026: Management Discussion and Analysis

1Q 2026 Highlights

In this quarter, Samart Corporation Public Company Limited or "SAMART" recorded the total revenues for the three-month period of Baht 2,843 million, decreased by Baht 54 million or 2% YoY, and decreased by Baht 275 million or 9% QoQ. The decrease in total revenue compared across both periods was primarily driven by the same factor: the revenue decline from Digital ICT solution business and Digital Communications business. However, revenue grew in the Utilities and Transportations business, which was mainly from the power substation business operated under Teda Company Limited.

The Company had gross profit of Baht 605 million, decreased by Baht 31 million or 5% YoY, while slightly increased by Baht 0.3 million or 0.1% QoQ.

The gross profit margin was 21.4%, decreased by 0.7% from 22.2% in 1Q25, while increased by 1.7% from 19.7% in 4Q25.

The Company reported the consolidated net profit attributable to equity holders of the Company of Baht 139 million, increased by Baht 83 million or 150% YoY, while decreased by Baht 38 million or 22% QoQ. Due to the Digital communications business recognized an allowance for diminution in value of assets in accordance with accounting standards of Baht 37 million in this quarter. However, excluding this loss, the Company will recognize net profit attributable to the equity holders of the Company of Baht 164 million, an increase of Baht 108 million or 194% YoY.

SAMART's performance by business lines;

Samart Corporation PCL., divided its businesses into 3 lines of business

- 1) Digital Communications Business or "SDC"
- 2) Digital ICT Solution Business or "SAMTEL"
- 3) Utilities and Transportations Business

Digital Communications Business

(Samart Digital PCL. or "SDC")

The Digital Communications business will focus on the full service of Digital Trunked Radio System (DTRS), which covers the key areas nationwide. By the end of 1Q26, Digital Communications business had total backlog worth Baht 424 million.

Digital ICT Solution Business

(Samart Telcoms PCL. or "SAMTEL")

In this quarter, the new projects were signed with the total value of THB 832 million. By the end of 1Q26, Digital ICT Solution Business had total backlog worth Baht 6,488 million.

Utilities and Transportations Business

In this quarter, Samart Aviation Solutions Public Company Limited (SAV) had total of 33,801 flights increased by 2,982 flights or 10% YoY and increased by 402 flights or 1% QoQ. Additionally, the power substation business operated under Teda Company Limited also expand its business continuously including the improvement of efficiency in excise tax management for domestic beer project. By the end of 1Q26, the Utilities and Transportations business had total backlog worth Baht 7,549 million.

Financial Performance

Revenues

In 1Q26, the consolidated sales, contract works and services revenues of SMART were Baht 2,826 million (after elimination of related parties' transaction), decreased by Baht 44 million or 2% YoY, which was from the following reasons in each business line;

Digital Communications Business

In 1Q26, the revenue from sales, contract works and services were Baht 113 million, decreased by Baht 20 million or 15% YoY, which was mainly from the service revenue from the Digital Network business decreased by Baht 10 million and revenue from the Digital Content business decreased by Baht 7 million.

Digital ICT Solution Business

In 1Q26, the revenue from sales, contract works and services were Baht 1,189 million, decreased by Baht 137 million or 10% YoY.

Utilities and Transportations Business

In 1Q26, the revenue from sales, contract works and services were Baht 1,523 million, increased by Baht 113 million or 8% YoY. which was mainly from revenue of the power substation business operated under Teda Company Limited increased by Bhat 100 million.

Cost of Sales, Contracts Works and Services

Cost of sales, contract works and services were Baht 2,221 million, decreased by Baht 13 million or 1% YoY.

Selling & Administrative Expenses and Other Expense

Selling & Administrative expenses and other expense were Baht 325 million, which represented 11% of total revenues of the Company, decreased by Baht 92 million or 22% YoY. Primarily due to in 1Q25 the Company recorded a loss from accounting estimations related to the litigation.

Finance Cost

Finance cost was Baht 65 million, decreased by Baht 7 million or 9% YoY.

Net Profit (Loss)

Net profit attributable to the equity holders of the Company was Baht 139 million, increased by Baht 83 million or 150% YoY, while decreased by Baht 38 million or 22% QoQ. Due to the Digital communications business recognized an allowance for diminution in value of assets in accordance with accounting standards of Baht 37 million in this quarter. However, excluding this loss, the Company will recognize net profit attributable to the equity holders of the Company of Baht 164 million, an increase of Baht 108 million or 194% YoY.

Financial Position

As of 31 March 2026, SMART reported the total assets of Baht 17,159 million, increased by 1% compared to the year-end of 2025. The total liabilities were Baht 9,939 million, decreased by 1% compare to the end of 2025. The total shareholders' equity was reported Baht 7,220 million.

Debt-to-Equity Ratio (D/E Ratio)

As of 31 March 2026, the D/E ratio was 1.38 times, a decrease from 1.44 at the end of 2025. Additionally, Net interest-bearing debt-to-equity ratio was 0.20 times, a decrease from 0.25 at the end of 2025.

Liquidity

As of 31 March 2026, the current ratio was 1.51 times, an increase from 1.29 at the end of 2025. In 1Q26, The Company had net cash flows from operating activities amounted to Baht 260 million, while net cash flows used in financing activities and net cash flows used in investing activities was Baht 48 million and Baht 18 million, respectively. Resulting in cash and cash equivalents was Baht 2,801 million.