

1Q26: Management Discussion and Analysis

Business overview

In 1Q26, Samart Digital PLC. (SDC) reported total consolidated revenue in an amount of Baht 117 million, decreased by Baht 25 million or 17.4% YoY. This was primarily from the revenue recognition of Digital Network business decreased by Baht 10 million, trading business decreased by Baht 9 million, and digital content business revenue decreased by Baht 7 million. Moreover, compared to 4Q25, the total consolidated revenue decreased by Baht 1 million or 1.1% QoQ.

The Company reported operating loss of Baht 1 million, compared to 1Q25 which recorded the operating profit of Baht 45 million. Moreover, compared to 4Q25 which recorded the operating profit of Baht 33 million. The Company recognized an allowance for diminution in value of assets in accordance with accounting standards of Baht 37 million in this quarter.

The Company reported the consolidated net loss attributable to equity holders of the Company of Baht 22 million, compared to 1Q25 which recorded the net profit attributable to equity holders of the Company of Baht 19 million. Moreover, compared to 4Q25 which recorded the net profit attributable to equity holders of the Company of Baht 11 million.

Financial highlights

Revenue breakdown			in Million Baht		
Business Unit	1/26	1/25	%YoY	4/25	%QoQ
Digital Network	93	112	(17.1%)	94	(0.6%)
Digital Content	21	28	(25.0%)	23	(9.1%)
Total revenue*	114	140	(18.7%)	117	(2.3%)

* Total Revenue (sales, service revenue and revenue from contract work)

Revenue

Digital Network Business: This quarter, the revenue of Digital Network business reported of Baht 93 million, which represented 81.5% of total revenue. The revenue decreased by Baht 19 million or 17.1% YoY, and decreased by Baht 1 million or 0.6% QoQ.

Digital Content business: This quarter, the revenue of Digital Content business reported of Baht 21 million, which represented 18.5% of total revenue. The revenue decreased by Baht 7 million or 25.0% YoY, and decreased by Baht 2 million or 9.1% QoQ.

Gross profit

In 1Q26, Samart Digital PLC. (SDC) reported the gross profit of Baht 48 million, decreased by Baht 11 million or 19.0% YoY. However, compared to 4Q25, the gross profit in this quarter was equal to the last quarter.

In 1Q26, the gross profit margin was 41.8%, decreased by 0.2% from 42.0% in 1Q25. While the gross profit margin in this quarter increased by 0.5% from 41.2% in 4Q25.

S&A and other expenses

In 1Q26, selling and administrative expenses including other expenses reported of Baht 51 million, increased by Baht 37 million or 251.1% YoY, and increased by Baht 35 million or 206.6% QoQ. The Company recognized an allowance for diminution in value of assets in accordance with accounting standards of Baht 37 million in this quarter.

Financial costs

In 1Q26, financial costs reported of Baht 22 million, decreased by Baht 4 million or 15.2% YoY, and decreased by Baht 0.4 million or 1.9% QoQ.

Net Profit (Loss)

In 1Q26, the consolidated net loss attributable to equity holders of the Company of Baht 22 million, compared to 1Q25 which recorded the net profit attributable to equity holders of the Company of Baht 19 million. Moreover, compared to 4Q25 which recorded the net profit attributable to equity holders of the Company of Baht 11 million.

Financial position

As at March 31, 2026, SDC reported total assets at Baht 2,890 million, decreased by Baht 57 million or 1.9% compared with December 31, 2025, mainly resulted from cash and cash equivalents decreased by Baht 85 million, other non-current assets decreased by Baht 37 million, and equipment decreased by Baht 19 million. While the trade receivables increased by Baht 81 million.

The Company reported total liabilities at Baht 2,545 million, decreased by Baht 35 million or 1.3% compared with December 31, 2025, mainly resulted from current portion of long-term loans from financial institutions decreased by Baht 58 million. While the trade and other accounts payable increased by Baht 20 million.

Total shareholders' equity was Baht 346 million, decreased by Baht 22 million or 6.1% compared with December 31, 2025.