

No. SMD 07/2026

May 15, 2026

Subject: Management's Discussion and Analysis for the First Quarter of 2026 Ended March 31, 2026

To: The President
The Stock Exchange of Thailand

SMD Rise Public Company Limited and its subsidiaries (the "Company") hereby submit the Management's Discussion and Analysis for the operating results for the first quarter of 2026 ended March 31, 2026. The details are summarized as follows:

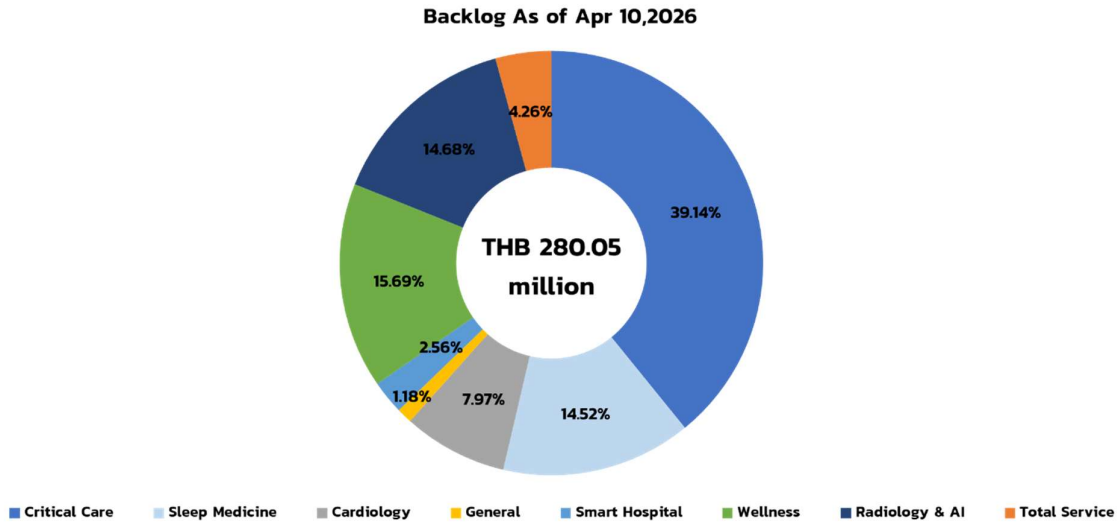
Executive Summary, Key Events, and Business Strategies

In the first quarter of 2026, the Company reported total revenue of THB 172.71 million, representing an increase of THB 20.60 million, or 13.54% YoY, primarily driven by growth in both sales and service revenue. Sales revenue increased by THB 8.75 million, or 6.29% YoY, mainly supported by higher sales in the critical care segment, which accounted for 45.79% of total sales revenue, and the radiology segment, which accounted for 11.36% of total sales revenue, in line with continued demand from the Company's key customers. Meanwhile, service revenue increased by THB 11.85 million, or 91.79% YoY, primarily attributable to the growth in sleep lab services, which increased by THB 5.48 million, or 121.78% YoY. This reflected the continuing trend of growing public awareness regarding sleep quality and preventive healthcare. As a result, the Company recorded gross profit of THB 54.81 million, increasing by THB 3.47 million, or 6.76% YoY.

However, the Company reported a net loss of THB 30.54 million for the first quarter of 2026, compared to a net loss of THB 26.47 million in the first quarter of 2025, representing an increase in net loss of THB 4.07 million, or 15.38% YoY. The increase was primarily attributable to higher service costs associated with the opening and expansion of sleep lab centers, as well as higher selling and administrative expenses resulting from personnel expansion and professional consulting fees to support the introduction of new product categories and the Company's ongoing business expansion.

The Company currently has a backlog totaling THB 280.05 million, remaining at a level that supports revenue recognition in the upcoming periods. The backlog primarily consisted of the critical care segment amounting to THB 109.61 million, representing 39.14% of total backlog, followed by the healthcare services segment of THB 43.95 million, representing 15.69%, the sleep medicine segment of THB 40.67 million, representing 14.52%, the radiology segment of THB 41.12 million, representing 14.68%, other segments of THB 32.78 million, representing 11.71%, and service backlog of THB 11.92 million, representing 4.26% of total backlog. The backlog structure reflected the diversification of the Company's business portfolio and revenue base across several core business segments. The Company continued to focus on expanding its business in medical products and healthcare services

with growth potential, while enhancing operational efficiency and developing new services to strengthen competitiveness and support sustainable long-term growth.



Key Events and Business Strategy



1. The Company has established a strategic direction to transform from a “medical device distributor” into a Specialized Healthcare Service Provider covering the entire healthcare value chain, including upstream, midstream, and downstream segments. To support this strategic transformation, the Company has restructured its business operations through the establishment of specialized subsidiaries to enhance management flexibility, strengthen competitiveness, and support business expansion across various product and service segments more effectively. This strategic initiative is expected to support the Company’s sustainable long-term growth.

2. The 2026 Annual General Meeting of Shareholders approved the allocation of profits from the Company's 2025 operating results for the payment of dividends to shareholders at the rate of THB 0.06 per share, totaling THB 12.96 million. The dividend payment was scheduled for May 26, 2026.

Key Factors Affecting Business Operations and Growth Prospects

- **Aging Society and Healthy Longevity Trends** Thailand and many countries around the world are continuing to transition into aging societies, resulting in growing demand for healthcare products and services, particularly those related to chronic diseases and quality of life for the elderly, such as sleep lab services and Continuous Positive Airway Pressure (CPAP) devices. At the same time, consumers are placing greater emphasis on preventive healthcare and long-term wellness, leading to continued growth in the wellness market, health monitoring devices, and healthcare technologies. These trends are aligned with the Company's business direction and continue to support growth opportunities across its healthcare-related products and services.
- **Government Promotion Policies** The public sector has implemented several healthcare and health-economy initiatives that support demand for the Company's products and services, including:
 - **Thailand's Medical Hub policy and the reopening to foreign patients:** This direction is expected to increase demand for medical equipment used in the treatment of complex diseases and creates opportunities to develop business models such as leasing and/or provisioning high-value medical equipment to hospitals. More broadly, the Medical Hub agenda is a structural driver that supports investment and demand for certain medical services and specialized medical equipment.
 - **Policies promoting the establishment of Wellness Centers in both public and private hospitals:** These initiatives support the growing focus on preventive and holistic health, covering deep health screening, health-behavior promotion, healthy aging programs, and rehabilitation services.
 - **Reimbursement frameworks for obstructive sleep apnea (OSA) diagnosis and treatment: Relevant agencies—including the Comptroller General's Department, the National Health Security Office (NHSO), and the Social Security Office—**have introduced reimbursement guidelines and budget allocations that include CPAP support under their respective schemes. This enhances access to diagnosis and treatment and is a positive factor supporting the long-term growth outlook of the market.
- **Preventive Medicine Trend** Overall healthcare is shifting from reactive treatment toward proactive health management through early screening, continuous health monitoring, and long-term behavioral modification. This transition supports sustained growth in demand for health technologies—such as personal health monitoring devices and real-time health surveillance

systems—which underpins the Company's business opportunities in preventive healthcare products and services.

- Cost Challenges and Industry Competition** Although the healthcare industry continues to demonstrate growth potential, operators still face challenges from exchange rate volatility, rising import costs of medical equipment, and intensifying competition in terms of pricing, technology, and service quality. The Company therefore continues to focus on cost management, increasing the proportion of recurring income from service-related businesses, and developing specialized products and services to enhance competitiveness and support long-term adaptation to changes in the industry.

Financial Performance

Statement of Profit and Loss

List	Consolidated FS Q1/2026		Consolidated FS Q1/2025		Change (YoY)	
	THB mn	%	THB mn	%	THB mn	%
<i>Income</i>						
Revenue from sale of goods	147.95	85.66%	139.20	91.51%	8.75	6.29%
Revenue from rendering of services	24.76	14.34%	12.91	8.49%	11.85	91.79%
Total Revenues	172.71	100.00%	152.11	100.00%	20.60	13.54%
Cost of sale of goods	(93.67)	(54.24%)	(92.27)	(60.66%)	(1.40)	1.52%
Cost of rendering of services	(24.23)	(14.03%)	(8.50)	(5.59%)	(15.73)	185.06%
Gross profit	54.81	31.74%	51.34	33.75%	3.47	6.76%
Other incomes	1.45	0.84%	1.16	0.76%	0.29	25.00%
Selling expenses	(36.79)	(21.30%)	(38.97)	(25.62%)	2.18	(5.59%)
Administrative expenses	(46.32)	(26.82%)	(35.98)	(23.65%)	(10.34)	28.74%
Profit (Loss) from operating activities	(26.85)	(15.55%)	(22.45)	(14.76%)	(4.40)	19.60%
Financial Costs	(3.43)	(1.99%)	(3.47)	(2.28%)	0.04	(1.15%)
Profit (Loss) before income tax expense	(30.28)	(17.53%)	(25.92)	(17.04%)	(4.36)	16.82%
Tax expense	(0.26)	(0.15%)	(0.55)	(0.36%)	0.29	(52.73%)
Net Profit (Loss) for the period	(30.54)	(17.68%)	(26.47)	(17.40%)	(4.07)	15.38%

Summary of Consolidated Statements of Comprehensive Income for the First Quarter of 2026

Revenue from core operation

In the first quarter of 2026, the Company reported revenue from sales and services of THB 172.71 million, representing an increase of THB 20.60 million, or 13.54% YoY, from THB 152.11 million in the first quarter of 2025. Revenue from government-sector customers accounted for 51.77% of total revenue, while revenue from private-sector customers accounted for 48.23%. The increase was primarily driven by continued demand growth from the Company's key customer groups. The revenue structure can be summarized as follows:

1. Revenue from sale of goods

Revenue from sales of goods, classified by the Company's medical equipment and device categories, is divided into seven groups based on functional characteristics, as presented in the following income structure table.

Revenue from Sales	Consolidated FS Q1/2026		Consolidated FS Q1/2025		Change (YoY)	
	THB mn	%	THB mn	%	THB mn	%
1. Critical Care	67.74	45.79%	46.93	33.71%	20.81	44.34%
2. Sleep Medicine	41.13	27.80%	58.02	41.68%	(16.89)	(29.11%)
3. Cardiology	15.99	10.81%	16.97	12.20%	(0.98)	(5.77%)
4. General	3.22	2.18%	8.07	5.80%	(4.85)	(60.10%)
5. Smart Hospital	3.05	2.06%	6.91	4.96%	(3.86)	(55.86%)
6. Wellness	-	-	2.30	1.65%	(2.30)	(100.00%)
7. Radiology & AI	16.82	11.36%	-	0.00%	16.82	100.00%
Total Revenue from sales	147.95	100.00%	139.20	100.00%	8.75	6.29%

In the first quarter of 2026, the Company reported sales revenue of THB 147.95 million, representing an increase of THB 8.75 million, or 6.29% YoY, compared to the same period of the previous year. The increase was primarily driven by higher sales in the critical care and radiology segments, which continued to benefit from sustained demand from the Company's key customer groups, in line with the ongoing investment trend in medical equipment and healthcare technologies among both public and private healthcare institutions.

2. Revenue from rendering of services

Revenue from Service	Consolidated FS Q1/2026		Consolidated FS Q1/2025		Change (YoY)	
	THB mn	%	THB mn	%	THB mn	%
1. Rental and Maintenance Services	14.78	59.69%	8.41	65.14%	6.37	75.74%
2. Sleep Lab Services	9.98	40.31%	4.50	34.86%	5.48	121.78%
Total Revenue from Services	24.76	100.00%	12.91	100.00%	11.85	91.79%

In the first quarter of 2026, the Company reported service revenue of THB 24.76 million, representing an increase of THB 11.85 million, or 91.79% YoY, compared to the same period of the previous year. Revenue from medical equipment rental and maintenance services amounted to THB 14.78 million, increasing by THB 6.37 million, or 75.74% YoY, in line with continued demand growth for medical equipment utilization and after-sales services. Meanwhile, revenue from sleep lab services amounted to THB 9.98 million, increasing by THB 5.48 million, or 121.78% YoY, driven by growing health awareness and greater access to obstructive sleep apnea diagnosis.

Other Income

Other income mainly consisted of interest income, interest income from lease receivables, and foreign exchange gains (losses). In the first quarter of 2026, the Company reported other income of THB 1.45 million, representing an increase of THB 0.29 million, or 25.00% YoY, compared to the same period of the previous year.

Cost of Sales and Services

Cost of sales and services mainly consisted of two components: (1) cost of medical devices and medical equipment, including product costs, import duties, transportation costs, and installation expenses; and (2) cost of services, including consumable material costs, repair and maintenance expenses, personnel-related expenses, and product testing expenses. In the first quarter of 2026, the Company reported total cost of sales and services of THB 117.90 million, representing an increase of THB 17.13 million, or 17.00% YoY, compared to the same period of the previous year. The increase was primarily attributable to a 185.06% increase in service costs, which rose from THB 8.50 million in the first quarter of 2025 to THB 24.23 million in the first quarter of 2026, mainly due to the expansion of the sleep lab business, as well as higher expenses related to personnel, consumable materials, and the operations of sleep lab centers. Meanwhile, cost of sales increased by THB 1.40 million, or 1.52% YoY, in line with the increase in sales revenue during the period.

However, service-related costs remained at a relatively high level as the Company continued to prioritize the development of its sleep lab centers in accordance with American Accreditation Commission International (AACI) standards, including investments in personnel, medical equipment, and service systems to enhance the quality and safety of healthcare services. At the same time, the Company remained committed to improving access to healthcare services at reasonable pricing levels in order to support the long-term growth of its healthcare service business.

Gross Profit and Gross Profit Margin

In the first quarter of 2026, the Company reported gross profit from sales and services of THB 54.81 million, representing an increase of THB 3.47 million, or 6.76% YoY, compared to the same period of the previous year, primarily driven by higher revenue from both sales and services. However, the Company's gross profit margin in the first quarter of 2026 decreased to 31.74% from 33.75% in the first quarter of 2025, mainly due to higher cost of sales and services.

Selling Expenses

In the first quarter of 2026, the Company reported selling expenses of THB 36.79 million, representing a decrease of THB 2.18 million, or 5.59% YoY, compared to the same period of the previous year. As a result, the ratio of selling expenses to revenue from sales and services decreased from 25.62% in the first quarter of 2025 to 21.30% in the first quarter of 2026. The decrease was primarily attributable to lower marketing and promotional expenses compared to the same period of the previous year.

Table of selling expenses

Selling Expenses	Consolidated FS Q1/2026		Consolidated FS Q1/2025		Change (YoY)	
	THB mn	%	THB mn	%	THB mn	%
1. Sales Staff Expenses	15.97	43.40%	16.73	42.93%	(0.76)	(4.53%)
2. Commission and Incentives	4.89	13.28%	4.78	12.27%	0.10	2.16%
3. Depreciation of Medical Equipment for customers' trial	4.51	12.26%	4.14	10.61%	0.37	9.05%
4. Advertising and Promotional Expenses	5.82	15.82%	7.68	19.71%	(1.86)	(24.22%)

Selling Expenses	Consolidated FS Q1/2026		Consolidated FS Q1/2025		Change (YoY)	
	THB mn	%	THB mn	%	THB mn	%
5. Other Selling Expenses ¹	5.60	15.24%	5.64	14.48%	(0.03)	(0.60%)
Total Selling Expenses	36.79	100.00%	38.97	100.00%	(2.18)	(5.59%)

Note:^{1/}Other sales expenses include sales representatives' travel expenses, shipping costs within the sales department, accommodation expenses for sales representatives, and miscellaneous expenses.

Administrative Expenses

Administrative expenses mainly consisted of employee-related expenses, administrative expenses, and depreciation and amortization expenses, with employee-related expenses representing the largest portion of the Company's administrative expenses. In the first quarter of 2026, the Company reported administrative expenses of THB 46.32 million, representing an increase of THB 10.34 million, or 28.74% YoY, compared to the same period of the previous year. As a result, the ratio of administrative expenses to revenue from sales and services increased from 23.65% in the first quarter of 2025 to 26.82% in the first quarter of 2026.

Table of Administrative Expenses

Administrative Expenses	Consolidated FS Q1/2026		Consolidated FS Q1/2025		Change (YoY)	
	THB mn	%	THB mn	%	THB mn	%
1. Management Compensation	22.70	49.01%	16.27	45.22%	6.43	39.54%
2. Administrative Expenses	16.09	34.73%	10.58	29.40%	5.51	52.10%
3. Depreciation and Amortization	5.07	10.94%	3.51	9.75%	1.56	44.38%
4. Other Administrative Expenses ¹	2.46	5.32%	5.62	15.63%	(3.16)	(56.16%)
Total Administrative Expenses	46.32	100.00%	35.98	100.00%	10.34	28.74%

Note: ^{1/} Other Administrative Expenses include Repair and maintenance costs, rental fees, provisions for doubtful debts, and others.

Financial Costs

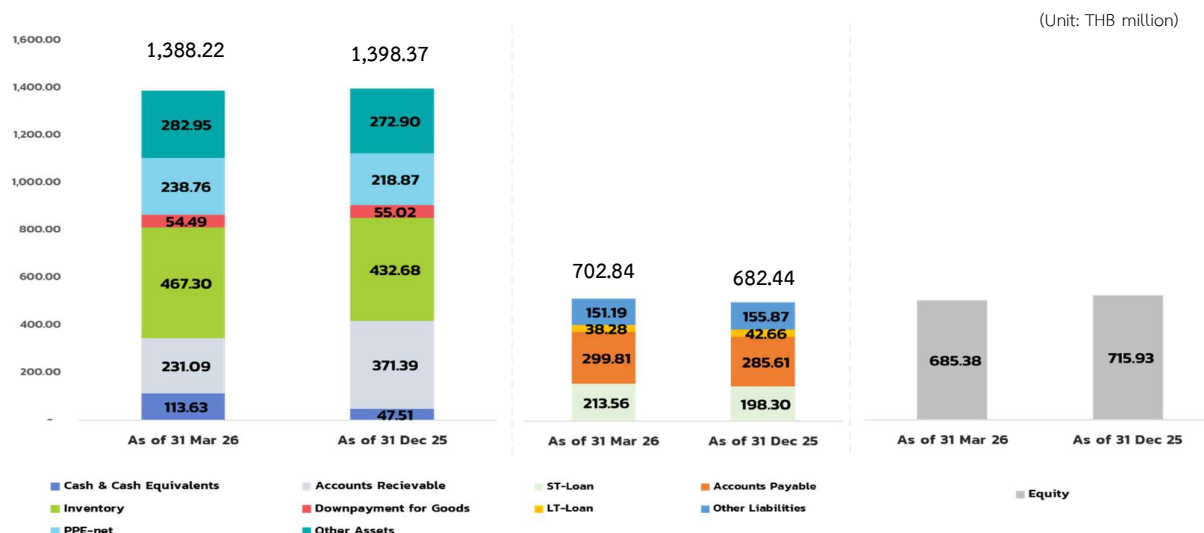
In the first quarter of 2026, the Company reported finance costs of THB 3.43 million, representing a decrease of THB 0.04 million, or 1.15% YoY, compared to the same period of the previous year. Finance costs remained relatively stable despite the Company's utilization of credit facilities from financial institutions to support working capital requirements for product procurement and business expansion.

Net Profit (Loss) and Net Profit Margin

In the first quarter of 2026, the Company reported a net loss of THB 30.54 million, compared to a net loss of THB 26.47 million in the first quarter of 2025, representing an increase in net loss of THB 4.07 million, or 15.38% YoY. As a result, the Company's net profit margin was (17.68%), compared to (17.40%) in the first quarter of 2025. Although the Company reported higher revenue from sales and services compared to the previous year, operating results continued to be affected by higher costs and expenses, particularly service-related costs associated with the opening and expansion of sleep lab centers, which remained in the early stage of operations and continued to incur relatively high fixed costs.

Statement of Financial Position

Asset and Capital Structure as of March 31, 2026



Total Assets

As of March 31, 2026, the Company reported total assets of THB 1,388.22 million, representing a decrease of THB 10.15 million, or 0.73%, from the end of 2025. The decrease in total assets was primarily attributable to lower trade receivables and advances for inventory purchases. Meanwhile, cash and cash equivalents, inventories, property, plant and equipment, as well as other assets increased from the end of 2025. Details of changes in cash and cash equivalents are discussed under the cash flow section.

Total Liabilities

As of March 31, 2026, the Company reported total liabilities of THB 702.84 million, representing an increase of THB 20.40 million, or 2.99%, from the end of 2025. The increase was primarily attributable to a rise in short-term borrowings of THB 15.26 million, or 7.70%, to support working capital requirements for business operations, as well as an increase in trade payables of THB 14.20 million, or 4.97%, in line with higher procurement activities for medical devices and equipment to support the Company’s operations and business expansion. The Company’s average credit term for trade payables was approximately 45 days, depending on the policies of each medical equipment manufacturer. As of March 31, 2026, the Company’s average payment period increased to 223 days from 143 days at the end of 2025.

Total Shareholders’ Equity

As of March 31, 2026, the Company reported shareholders’ equity of THB 685.38 million, representing a decrease of THB 30.55 million, or 4.27%, from the end of 2025, in line with the Company’s operating results for the current period. Together with the increase in total liabilities, the Company’s debt-to-equity ratio (D/E Ratio) increased to 1.03 times from 0.95 times at the end of 2025.

Statement of Cash Flows

Unit: THB million

Cash Flow Items	Mar 31, 2026	Mar 31, 2025
Net cash provided from (used in) operating activities	77.57	(54.84)
Net cash provided from (used in) investing activities	(19.08)	(24.27)
Net cash provided from (used in) financing activities	7.63	69.18
Net increase (decrease) in cash and cash equivalents	66.12	(9.93)
Cash and cash equivalents at beginning of period	47.51	242.66
Cash and cash equivalents at ending of period	113.63	232.73

As of March 31, 2026 the Company's cash flows from various activities were as follows:

- Net cash provided by operating activities** amounted to THB 77.57 million, primarily driven by improved working capital management, particularly the increase in trade payables and other current payables, as well as the gradual collection of trade receivables. However, the Company continued to utilize cash for inventories and trade receivables to support business expansion, while interest expenses and corporate income tax were paid in accordance with the operating cycle.
- Net cash used in investing activities** amounted to THB 19.08 million, mainly attributable to an increase in restricted bank deposits and investments in medical equipment, including rental medical equipment, demonstration equipment, backup equipment for maintenance purposes, right-of-use assets, and intangible assets, to support operations and long-term business expansion. Meanwhile, cash proceeds from the sale of certain equipment partially offset such investments.
- Net cash provided by financing activities** amounted to THB 7.63 million, primarily resulting from borrowings from financial institutions to support working capital requirements and business expansion. This was despite repayments of loans, lease liabilities, and dividend payments to shareholders during the period.

As a result of the above activities, the Company's cash and cash equivalents increased by THB 66.12 million, totaling THB 113.63 million as of March 31, 2026, compared to THB 47.51 million at the beginning of the period.

Sustainability (ESG) Operations

The Company recognizes the importance of sustainable business operations and believes that delivering high-quality and advanced medical devices contributes to supporting and enhancing Thailand's public healthcare system. In support of this commitment, the Company established an Emergency Medical Learning Center to serve as a knowledge-sharing platform for youths and individuals interested in emergency first aid and basic life support (CPR) training programs. The Company places importance on promoting life-saving knowledge, as well as the health and safety of all stakeholders and surrounding communities. Accordingly, the learning center aims to equip participants with proper knowledge and practical life-saving skills in accordance with recognized standards in order to improve emergency response effectiveness and increase the survival chances of individuals experiencing sudden cardiac arrest.



Moreover, the Company remains committed to continuously seeking innovative medical technologies to enhance the effectiveness of patient care and reduce fatigue among physicians and healthcare personnel. These include AI-powered systems for detecting lung cancer (Lung CA) using CT imaging, advanced cancer treatment solutions utilizing particle accelerator-based radiotherapy integrated with computed tomography (CT) imaging and proton accelerator technologies, blood-based cancer screening technologies, automated pharmacy dispensing systems, as well as intelligent surgical robots equipped with haptic feedback capabilities that closely simulate a surgeon's sense of touch.

The Company expects that its medical devices and healthcare solutions will play an important role in supporting Thailand's transition toward becoming a regional Medical Hub, while enhancing the country's ability to effectively support and care for an aging population and sustainably improve the quality of life of its people.

Please be informed accordingly,

Sincerely yours,

- Viroje Vasusuttikulkant -

(Dr. Viroje Vasusuttikulkant)

Chief Executive Officer

SMD Rise Public Company Limited