3Q 2026: Management Discussion and Analysis

3Q 2026 Highlights

For the three-month period ended September 30, 2026, Samart Aviation Solutions Public Company Limited ("SAV"), which operates through its subsidiary, Cambodia Air Traffic Services Co., Ltd. ("CATS"), the sole provider of air traffic management services in Cambodian airspace, reported service revenue of THB 494.8 million, which increased by THB 44.4 million (+9.9% YoY) compared to the same quarter of the previous year and by THB 43.6 million (+9.7% QoQ) compared to the previous quarter. Service revenue in U.S. Dollar terms, which is the Company's functional currency, amounted to USD 14.9 million (+6.7% YoY and +7.6% QoQ). The increase was mainly driven by higher flight volumes, together with the depreciation of the Thai Baht against the U.S. Dollar. As a result, net profit was THB 147.7 million, which increased by THB 19.5 million (+15.3% YoY) compared to the same quarter of the previous year and by THB 25.9 million (+21.2% QoQ) compared to the previous quarter.

For the nine-month period ended September 30, 2026, service revenue was THB 1,436.6 million, which increased by THB 10.8 million (+0.8% YoY) compared to the same period of the previous year, and net profit was THB 412.6 million, which increased by THB 12.8 million (+3.2% YoY). In U.S. Dollar terms, service revenue was USD 44.2 million (+2.8% YoY) and net profit was USD 12.7 million (+5.3% YoY), reflecting continued solid underlying growth. Growth in Thai Baht terms was lower than in U.S. Dollar terms because the Thai Baht was, on average, stronger over the nine months than in the same period last year, an exchange rate factor outside the Company's normal operations.

Business and Industry Overview

In 9M2026, the aviation industry continued to expand, as did flight volumes in Cambodian airspace, supported mainly by growth in overflights from Southeast Asian countries, particularly Vietnam. Although tensions in the Middle East slowed flight volumes at times during the first half of the year, the overall trend remained positive. The business nevertheless remained exposed to external factors, notably fluctuations in the Thai Baht against the U.S. Dollar.

Key Developments

In the 3rd quarter of 2026, the Company handled a total of 32,559 flights, which increased by 3,410 flights (+11.7% YoY) compared to the same quarter of the previous year and by 2,863 flights (+9.6% QoQ) compared to the previous quarter. Growth was driven mainly by overflights, which expanded strongly (+18.1% YoY), as well as domestic landing and take-off flights (Landing & Take-off: Domestic), which rose 30.0% YoY.

The Company also maintained its consistent dividend policy. In the 3rd quarter of 2026, it paid an interim dividend from 1H2026 results of THB 0.40 per share (totalling THB 255.4 million), reflecting the Group's strong financial position and high operating cash flow. Subsequent to the reporting period, on November 4, 2026, CATS declared an interim dividend of USD 4.0 million to the Company, which will result in withholding tax expense of approximately USD 0.4 million in the 4th quarter of 2026.

Financial Performance

Revenue from contracts with customers

In the 3rd quarter of 2026, revenue from contracts with customers was THB 494.8 million, which decreased by THB 95.2 million (-16.1% YoY) compared to the same quarter of the previous year, because Q3/2025 included THB 139.6 million of revenue from contract work under TFRIC 12. This is an accounting entry recognized in an amount equal to the related concession construction cost and therefore has no impact on net profit.

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Considering service revenue only, the Company recorded THB 494.8 million, which increased by THB 44.4 million (+9.9% YoY) compared to the same quarter of the previous year and by THB 43.6 million (+9.7% QoQ) compared to the previous quarter, in line with higher flight volumes and the depreciation of the Thai Baht.

The Company's service revenue can be categorized into three main 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 overflight services in Cambodian airspace (Overflight)

The Company's flight volume and service revenues, classified by flight type, are as follows.

- Table of the number of flights classified by type

(Unit: Flights)

ITEM	3Q/26	3Q/25	%YoY	2Q/26	%QoQ
Landing & Take-off: Domestic	1,262	971	30.0%	1,066	18.4%
Landing & Take-off: International	6,322	7,026	(10.0%)	6,451	(2.0%)
Overflight	24,975	21,152	18.1%	22,179	12.6%
Total	**32,559**	**29,149**	**11.7%**	**29,696**	**9.6%**

- Table of service revenues classified by flight type, expressed in U.S. Dollars and Thai Baht

(Unit: USD million)

ITEM	3Q/26	3Q/25	%YoY	2Q/26	%QoQ
Landing & Take-off: Domestic	0.13	0.08	73.4%	0.07	84.8%
Landing & Take-off: International	3.8	4.3	(10.3%)	4.0	(2.8%)
Overflight	10.9	9.6	13.8%	9.8	11.2%
Total	**14.9**	**13.9**	**6.7%**	**13.8**	**7.6%**

(Unit: THB million)

ITEM	3Q/26	3Q/25	%YoY	2Q/26	%QoQ
Landing & Take-off: Domestic	4.5	2.5	78.5%	2.4	88.5%
Landing & Take-off: International	127.6	138.2	(7.7%)	128.8	(0.9%)
Overflight	362.8	309.7	17.1%	320.1	13.3%
Total	**494.8**	**450.4**	**9.9%**	**451.2**	**9.7%**

Gross profit

Gross profit was THB 267.0 million, which increased by THB 30.4 million (+12.9% YoY) compared to the same quarter of the previous year and by THB 28.3 million (+11.9% QoQ) compared to the previous quarter.

Gross profit margin was 53.95% (2Q/2026: 52.88%, 3Q/2025: 52.52%*). The YoY improvement in gross profit margin was mainly due to higher service revenue and lower amortization of the concession right, as the amortization period was extended by 10 years in line with the concession extension. The QoQ improvement was mainly due to higher revenue from increased flight volumes. (* Financial ratios calculated from revenue exclude revenue from contract work under Thai Financial Reporting Interpretations Committee Interpretation No. 12 (TFRIC 12), applying the same principle throughout the document)

Servicing and administrative expenses

Service and administrative expenses amounted to THB 63.5 million, which increased by THB 2.0 million (+3.2% YoY) compared to the same quarter of the previous year, mainly due to higher employee-related expenses and utilities, and decreased by THB 2.9 million (-4.3% QoQ) compared to the previous quarter, mainly due to expenses management.

Other expenses

Other expenses were THB 14.2 million, which increased by THB 0.3 million (+2.5% YoY) compared to the same quarter of the previous year and decreased by THB 1.4 million (-9.0% QoQ) compared to the previous quarter. They consisted mainly of 10% withholding tax on dividends received from CATS of THB 13.3 million (3Q/2025: THB 12.9 million; 2Q/2026: THB 14.7 million). Dividends received in the quarter were USD 4.0 million, unchanged YoY (the difference in Thai Baht reflects the weaker Thai Baht), but down from USD 4.5 million in the previous quarter.

Financial expenses

Financial expenses amounted to THB 3.5 million, which increased by THB 2.6 million (+280.2% YoY) compared to the same quarter of the previous year, mainly due to higher interest resulting from changes in the estimation of the long-term provision under the service concession arrangement in accordance with the interpretation of Thai Financial Reporting Interpretations Committee No. 12 (TFRIC 12) on Service Concession Agreements, following the commencement of operations of Techo International Airport on 9 September 2025, which resulted in the extension of the concession period by an additional 10 years. Such provision represents estimated future maintenance costs prior to the transfer of the assets to the State Secretariat of Civil Aviation (SSCA). Compared to the previous quarter, financial expenses increased slightly by THB 0.1 million (+4.4% QoQ).

Net profit

Net profit was THB 147.7 million, which increased by THB 19.5 million (+15.3% YoY) compared to the same quarter of the previous year and by THB 25.9 million (+21.2% QoQ) compared to the previous quarter. Net profit margin in the 3rd quarter of 2026 was 29.78% (2Q/2026: 26.95%, 3Q/2025: 28.38%*).

Financial Position

Assets

As of September 30, 2026, total assets were THB 2,287.2 million, decreased by THB 9.5 million from the end of 2025, mainly due to a net decrease of THB 44.0 million in cash and cash equivalents together with other current financial assets (CATS' fixed deposits) following dividend payments during the period. Meanwhile, intangible assets increased by THB 36.3 million, reflecting a THB 71.5 million foreign currency translation adjustment, net of THB 35.1 million amortization for the period.

The Company assesses asset impairment every period and found no significant indication of impairment. As of September 30, 2026, trade receivables consisted mainly of amounts due from airline customers, which are collected regularly. The average collection period in the 3rd quarter of 2026 was approximately 31 days (2Q/2026: 32 days*, 3Q/2025: 31 days*), consistent with the Company's credit term policy for airline customers.

Return on assets (ROA), based on trailing 12-month net profit, was 25.11% (2Q/2026: 25.14%, 3Q/2025: 24.87%).

Liabilities

As of September 30, 2026, total liabilities were THB 986.7 million, increased by THB 67.0 million from the end of 2025. This was mainly due to a THB 38.9 million increase in the long-term provision under the service concession (TFRIC 12) (as further described in the "Financial expenses" section), largely from a THB 27.1 million foreign currency translation adjustment and THB 8.9 million of

interest on the provision. Trade and other current payables increased by THB 27.1 million, mainly from revenue share payable to the SSCA in line with higher revenue, while income tax payable decreased by THB 24.0 million following payment of CATS's 2025 income tax.

The Company has no borrowings from financial institutions. Its debt-to-equity (D/E) ratio at the end of the period was 0.76 times (2Q/2026: 0.65 times, 3Q/2025: 0.71 times), reflecting a low-risk capital structure. The interest coverage ratio for the 3rd quarter of 2026 was 57.43 times (2Q/2026: 50.46 times, 3Q/2025: 192.24 times). These financial expenses represent interest on the TFRIC 12 provision rather than interest on borrowings; the Company therefore does not calculate a debt service coverage ratio (DSCR). The provision represents maintenance costs to be incurred progressively over the concession term before the assets are handed back, rather than scheduled repayments like a loan, and therefore does not affect short-term liquidity.

Shareholders' Equity

As of September 30, 2026, shareholders' equity was THB 1,300.5 million, decreased by THB 76.5 million from the end of 2025, mainly due to a net decrease of THB 162.0 million in retained earnings from dividends paid during the period totalling THB 574.6 million (THB 319.2 million in the 2nd quarter of 2026 and THB 255.4 million in the 3rd quarter of 2026), net of net profit for the period of THB 412.6 million. Meanwhile, translation differences recognized in other comprehensive income increased by THB 85.5 million.

Return on equity (ROE), based on trailing 12-month net profit, was 43.60% in the 3rd quarter of 2026 (2Q/2026: 38.56%, 3Q/2025: 38.08%). The QoQ increase partly reflects lower shareholders' equity following the dividend payment.

Liquidity and Cash Flow

For the three-month period ended September 30, 2026, net cash flows from operating activities was THB 205.8 million. Net cash flows used in investing activities was THB 113.9 million, mainly from a THB 116.2 million increase in fixed deposits, and net cash flows used in financing activities was THB 255.4 million for the interim dividend payment. Cash and cash equivalents at the end of the period were THB 187.8 million, and fixed deposits (other current financial assets) were THB 639.6 million, sufficient for business operations.

As of September 30, 2026, the current ratio was 2.62 times (2Q/2026: 3.26 times, 3Q/2025: 2.58 times) and the quick ratio was 0.94 times (2Q/2026: 1.53 times, 3Q/2025: 2.22 times). The QoQ decrease in the current ratio was mainly due to the THB 255.4 million interim dividend payment and higher current liabilities. The quick ratio dropped more significantly because it excludes fixed deposits, in which the Company invested an additional THB 116.2 million in this quarter. If including such fixed deposits, the Quick Ratio would be 2.51 times, reflecting that the Company still maintains a high level of liquidity.

Future Growth Factors

The Company expects performance in the 4th quarter of 2026 to continue to improve, supported by the regional tourism high season and continued growth in flight volumes, particularly on routes from Vietnam. Factors that may affect future operations or growth, and the Company's management approach, are as follows:

(1) Exchange rate fluctuations: The Company's revenue is billed in U.S. Dollars, while the consolidated financial statements are presented in Thai Baht. Fluctuations in the Thai Baht therefore affect revenue and profit in Thai Baht terms. Most of CATS's service costs are also denominated in U.S. Dollars (a natural hedge), which reduces exchange rate risk in CATS's operations but does not offset the translation effect into Thai Baht; profit in Thai Baht terms therefore continues to move with the Thai Baht.

(2) Geopolitics and airline flight plans: Tensions in the Middle East and changes to airline routes or flight plans may affect flight volumes at times. The Company continues to monitor the situation closely and has a diversified airline customer base across multiple routes, which reduces dependence on any single route.

(3) The opening of Techo International Airport, which has greater capacity, is expected to support growth in international flights over the medium to long term.

Other Supplementary Information (ESG and Related Party Transactions)

The Company and its subsidiary operate under a sustainable development policy covering the economic and governance, social (including human rights) and environmental dimensions, including the management of energy, water and waste.

As the Company operates as a Holding Company, it has no direct emissions, and its greenhouse gas emissions from operations are at an immaterial level. In addition, CATS has implemented an Air Traffic Flow Management (ATFM) system to facilitate air traffic, which plays an important role in reducing fuel consumption and carbon dioxide emissions for its airline customers.

Related Party Transactions in the 3rd quarter of 2026 consisted of transactions conducted in the ordinary course of business and dividend income received from CATS, as disclosed above. There were no other significant connected transactions during the period.