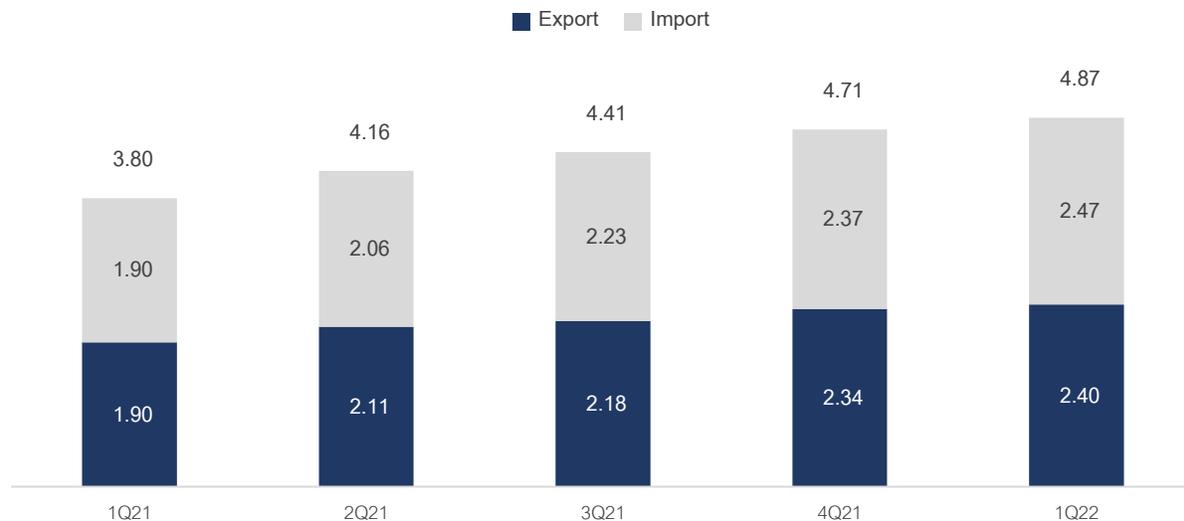


The value of Export, Import and total trade for 1Q21 - 1Q22 (Trillion Baht)



(Source: Office of the Permanent Secretary for Commerce)

In the 1st quarter of 2022, Thailand has a total trade value of 4.87 trillion baht, increased 28% YOY and improved 3% QOQ. Global demand continues to increase as the COVID-19 pandemic has unraveled in many countries. The World Manufacturing Purchasing Managers' Index (Global Manufacturing PMI) stayed above 50 for the 21st month, representing that consumer good's production remains elevated. Despite the geopolitical conflict between Russia and Ukraine, the impact on trading value is relatively limited. The outlook for Thai exports-import is expected to continue to expand due to various supporting factors such as: the growing demand for agricultural and food products is being met to maintain social stability during the uncertainty situation between Russia and Ukraine, the free trade cooperation, RCEP (Regional Comprehensive Economic Partnership), took effect at the beginning of the quarter, the enhanced relations between Thailand and Saudi Arabia, the demand for importing food and commodities to hedge against the price volatility, and lastly, the baht depreciating trend which will stimulate the exports.

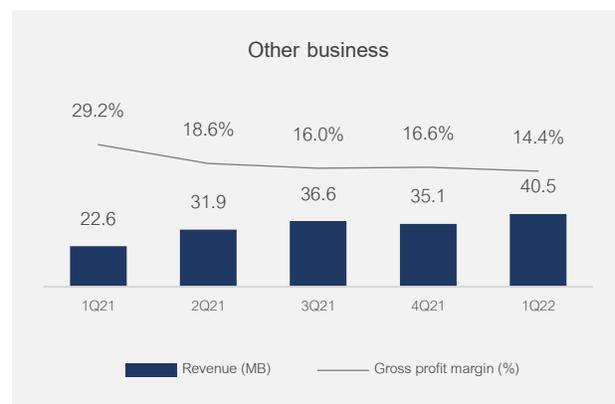
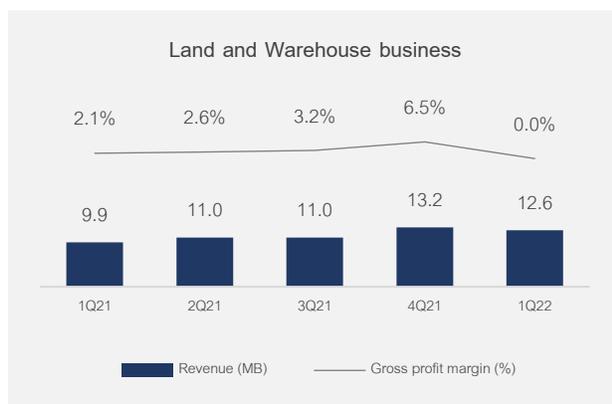
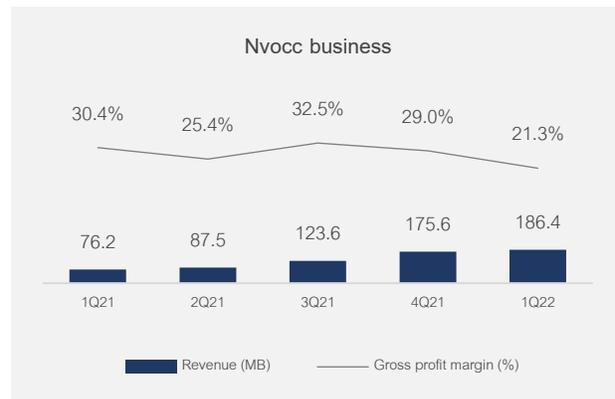
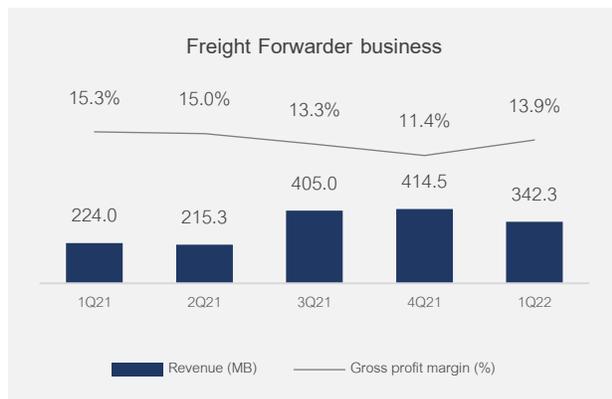
Nevertheless, the global economy and the logistics industry are still facing the risk of higher production costs as inflation accelerates around the world as well as city lockdown to control the COVID-19 pandemic in Xiang Hai, China, the world's No. 1 transport port, resulted in the delay and higher logistic costs.

(Source: Ministry of Commerce)

The overview on company performance

Income statement (Million Baht)	4Q20	3Q21	4Q21	%YOY	%QOQ
Revenue					
Service income	310.1	615.3	558.7	+80%	-9%
Sales income	22.5	23.0	23.0	+2%	0%
Other income	6.2	9.8	7.6	+23%	-22%
Total revenues	338.9	648.1	589.4	+74%	-9%
Expenses					
Cost of services	252.4	516.1	471.0	+87%	-9%
Cost of sales	15.9	17.5	17.6	+10%	+1%
Selling and distribution expenses	8.2	9.1	11.4	+40%	+26%
Administrative expenses	38.0	66.4	53.3	+40%	-20%
Total expenses	314.5	609.1	553.2	+76%	-9%
Profit from operating activities	24.3	39.0	36.2	+49%	-7%
Share of gain on investment in associate	0.6	1.0	2.3	+299%	+119%
Finance income	1.5	0.6	0.7	-55%	+4%
Finance cost	3.0	3.0	2.7	-11%	-11%
Profit before income tax expense	23.4	37.7	36.4	+56%	-3%
Income tax expense	2.7	5.1	5.5	+101%	+6%
Profit (loss) for the period	20.7	32.6	31.0	+50%	-5%
Non-controlling interest of the subsidiaries	(0.6)	(1.4)	0.0	+102%	+101%
Profit (loss) attributable to equity holders	20.0	31.1	31.0	+55%	0%

In the 1st quarter of 2022, the company continued to maintain its growth YOY. As a result of service improvement and customer accessibility to both new and old customer. Moreover, the overall import-export continues to improve, resulting in **the company's total revenue**, increased by 74% YOY. The main revenues contribution remained from freight forwarder business, accounting for 58% of total revenue, and the NVOCC, accounting for 32%. However, total revenue decreased slightly by 9% QOQ due to seasonal impact and shorter business days. Coupled with lower container freight rates, the gross margin from services decreased slightly from 16.1% in 4Q21 to 15.7% in 1Q22. **The total costs and expenses** increased by 87% YOY, from the cost of logistic services following an increase in service revenue. Total selling and administrative expenses also increased due to staff expenses, sale commission, and advisory fees from acquisition of Cheese Digital Network. **Share of profit from investment in associates** significantly increased due to the recognition of profit sharing from Cheese Digital Networks during February and March after the acquisition was completed. In summary, the company reports **net profit attributable to the shareholders of the company** growing 55% YOY and stable compared to the 4Q21 from the reasons mentioned above.



Freight Forwarder business reported total revenue of 342 million baht, accounted for 59% of the total revenue from core operation. The revenue from this segment grew 53% YOY but down 17% QOQ due to the lower freight rates which led to a lower revenue. The higher service costs resulting in the lower gross margins for the quarter of 13.9%.

NVOCC business reported total revenue of 186 million or accounted for 32% of the total revenue from core operation. The revenue from this segment grew 144% YOY and increased 6% QOQ. This was due to higher LCL (Less than container load) shipments offset by lower margins due to increasing containers supply following a shortage last year. The gross margin for the quarter was 21.3%.

Land and Warehouse business has total revenue of 13 million baht or 2% of the total revenue from core operation. This segment of revenue grew 27% YOY but decreased 6% QOQ. The demand for warehouses to hold goods decreased due to better container turnover rate. In addition, the gross margin for this business was pressured by depreciation of tractors transferred from debtors during the past year. However, this business accounts for only 2% of total revenue, thus the limited impact on revenues and profits are limited.

Other businesses (sales of dialysis fluids which the company owns 52.8% of Grace Water Made), total revenue was 41 million baht, or 7% of the total revenue from core operation. This segment of revenue grew 80% YOY and increased 16% QOQ. This is due to the relaxation of the Covid measures allowing patients to receive treatment more conveniently. However, price competition remained high, resulting in a decline in gross margin of 14.4%.

Financial position (Million Baht)	Period end 31 December 2021	Period end 31 March 2022	Change
Cash and Cash equivalents	147.8	149.3	+1.5
Trade and other receivables	434.8	423.0	-11.8
Other current assets	19.2	18.5	-0.7
Total current assets	601.8	590.8	-11.0
Restricted bank deposits	97.2	97.2	0.0
Investment property	69.8	70.3	+0.5
Property, plant, and equipment	178.8	174.7	-4.1
Right-of-use assets	50.6	49.6	-1.0
Other non-current assets	54.3	305.4	+251.1
Total non-current assets	450.7	697.2	+246.5
Total Assets	1,052.5	1,288.0	+235.5
Bank overdrafts and ST loans from banks	195.0	175.0	-20.0
Trade and other payables	248.1	237.2	-10.9
Current portion of LT loans from banks	33.6	42.9	+9.2
Other current liabilities	17.6	14.4	-3.3
Total current liabilities	494.4	469.5	-25.0
Lease liabilities	30.4	28.4	-2.0
LT loans from banks	75.6	62.2	-13.4
Other non-current liabilities	16.9	17.7	+0.7
Total non-current liabilities	122.9	108.2	-14.7
Total liabilities	617.4	577.7	-39.7
Total shareholders' equity	413.7	688.8	+275.2
Non-controlling interests of the subsidiaries	21.5	21.5	0.0
Total liabilities and shareholders' equity	1,052.5	1,288.0	+235.5

Total assets increased by 235.5 million baht compared to the end of the year 2021 due to an increase in investment in associates of 250.2 million baht, because of an acquisition in Cheese Digital Network in the ratio of 25% of the total shares. Trade accounts receivable decreased by 11.8 million baht due to more efficient follow-up and acceptance of debt receivables. Property, plant, and equipment decreased from depreciation and amortization expenses incurred during the period which mostly came from trailers that were transferred from debtors during the 2Q21. **Total liabilities** decreased by 39.7 million baht due to both short-term and long-term loan repayments from financial institutions to reduce financial cost. Trade and other payables decreased by 10.9 million baht due to trade settlements to Israel Airlines. **The Company's shareholders' equity** increased by 275.2 million baht due to increased capital and share premium from the capital increase for the acquisition of Cheese Digital Network's shares.