

Management Discussion and Analysis Quarter 2 Ending 30 June 2023

The company's net profit in Q2/2023 was 63 million baht, growing 14% continuously compared to Q1/2023. according to the strategy that the company has set out from effective cost management Under the crisis of Thailand's economic slowdown, imports and exports dropped by 5 %, inflation, exchange rate volatility. These situations all have an impact on the company. The company has risk management in various crises. efficiently

Company Performance Summary

Unit : million baht

Profit and loss statement	Q2/2022	Q1/2023	Q2/2023	+ (-)	% YoY	+ (-)	% QoQ	6M/2022	6M/2023	+ (-)	% YoY
Service income	2,045	1,031	975	(1,070)	-52%	(56)	-5%	4,200	2,006	(2,194)	-52%
Gross profit	354	211	183	(170)	-48%	(28)	-13%	697	395	(302)	-43%
Other income	19	4	9	(10)	-54%	4	104%	30	13	(17)	-57%
Selling expenses	42	21	21	(21)	-50%	0	-1%	80	42	(37)	-47%
Administrative expense	86	105	77	(9)	-10%	(28)	-27%	203	182	(21)	-10%
Finance cost	5	4	4	(1)	-15%	0	1%	11	9	(2)	-17%
Income tax expense	53	19	11	(42)	-80%	(9)	-45%	83	30	(53)	-64%
Profit for the period	186	65	79	(107)	-58%	14	21%	350	144	(206)	-59%
Profit attributable to:											
Equity holders of the company	170	55	63	(107)	-63%	8	14%	328	118	(210)	-64%
Non-controlling interests of subsidiaries	16	10	16	0	1%	6	63%	22	26	4	17%
Gross profit margin	17.30%	20.50%	18.81%		1.51%		-1.69%	16.59%	19.68%		3.09%
Net profit margin	8.26%	5.35%	6.41%		-1.85%		1.06%	7.76%	5.87%		-1.89%

In terms of performance, the company had revenue from services for the second quarter of 2023, equal to 975 million baht, a decrease of 1,070 million baht, representing 52% of the previous year for the same period and for the 6-month period of 2023, equal to 2,006 million baht, a decrease. 2,194 million baht, representing 52% of the previous year for the same period. The decrease in revenue in 2023 is due to the decrease in freight rates from the end of 2022 by more than 80% (Over Supply), together with the decrease in shipping volume. going in the same direction economic slowdown causing imports and exports to shrink

The company's gross profit for the Q2/2023 was 183 million baht, a decrease of 170 million baht or 48% from the previous year for the same period and for the 6M/2023, it was 395 million baht, a decrease of 302 million baht or 43%. of the previous year for the same period. For the Q2/2023, the gross profit decreased, varying with the decrease in revenue, caused by the revenue from ship transportation services with reduced transportation volumes, but the company has managed costs.

according to the strategy effectively as a result, the gross profit margin improved from 17.30% to 18.81% and for the 6M/2023, the gross profit margin for this year compared to last year also improved from 16.59% to 19.68%.

Selling expenses for Q2/2023 were 21 million baht, a decrease of 21 million baht, representing 50% of the previous year for the same period, and for the 6M/2023, it was 42 million baht, a decrease of 37 million baht, representing 47% of the previous year for the same period. In this year, selling expenses decreased in line with the decrease in revenue.

Administrative expenses for Q2/2023 were 77 million baht, a decrease of 9 million baht, representing 10% of the previous year for the same period, and for the 6M/2023, it was 182 million baht, a decrease of 21 million baht, representing 10%. Administrative expenses decreased in line with the Company's strategy and in line with the decrease in revenue.

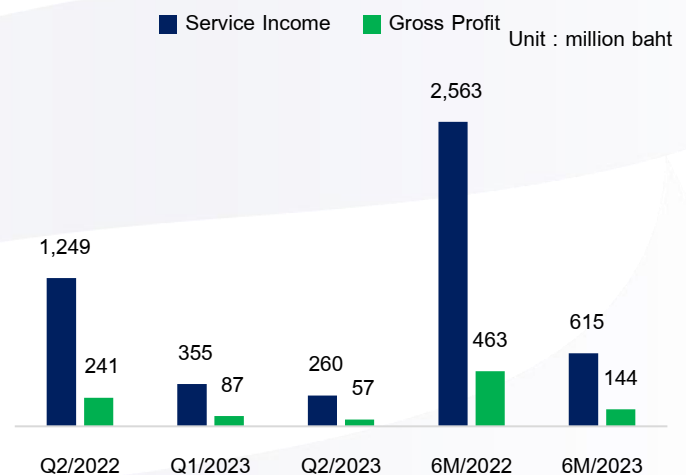
The company's net profit for the Q2/2023 was 63 million baht, a decrease of 107 million baht, representing 63% of the previous year for the same period, and for the 6M/2023, it was 118 million baht, a decrease of 210 million baht, representing 64% of the year before for the same period. The decrease in net profit is proportional to the decrease in revenue.

Performance by Business Unit

1. Sea Freight

Revenue from sea freight services for the Q2/2023 was 260 million baht, a decrease of 989 million baht, representing 79% of the previous year for the same period and for the six-month period of 2023, equal to 615 million baht, a decrease down 1,948 million baht, representing 76% of the previous year for the same period. As for sea freight services, the revenue decreased due to the continual decline in freight rates. Since the end of 2022, more than 80%, coupled with a slight drop in transport volume from the economic recession situation causing operators to reduce their production capacity, resulting in reduced transport volumes. Gross profit from sea freight for the Q2/2023 was 57 million baht, a decrease of 184 million baht, representing 76% of the previous year for the same period and for the 6M/2023, it was 144 million baht, a decrease of 319 million baht, representing to 69% of the previous year for the same period.

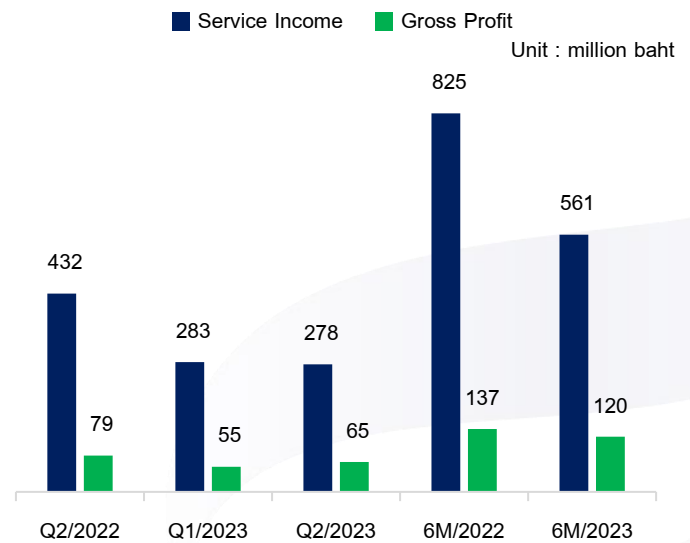
As for the gross profit margin, it improved from cost management according to the strategy effectively. In the second quarter of this year, compared to last year, from 19.3% improved to 21.9%. with the previous year from 18.1%, improving to 23.4%.



2. Air Freight

Revenue from air freight services for the second quarter of 2023 was 278 million baht, a decrease of 154 million baht or 36% from the previous year for the same period and for the 6M/2023, it was 561 million baht, a decrease. Down 264 million baht, representing 32% of the previous year for the same period. The lower revenue resulted in lower freight volume among electronic customers. Gross profit from air freight for the Q2/2023 was 65 million baht, a decrease of 14 million baht, representing 18% of the previous year for the same period and for the 6M/2023, it was 120 million baht, a decrease of 17 million baht, representing was 12% of the previous year for the same period.

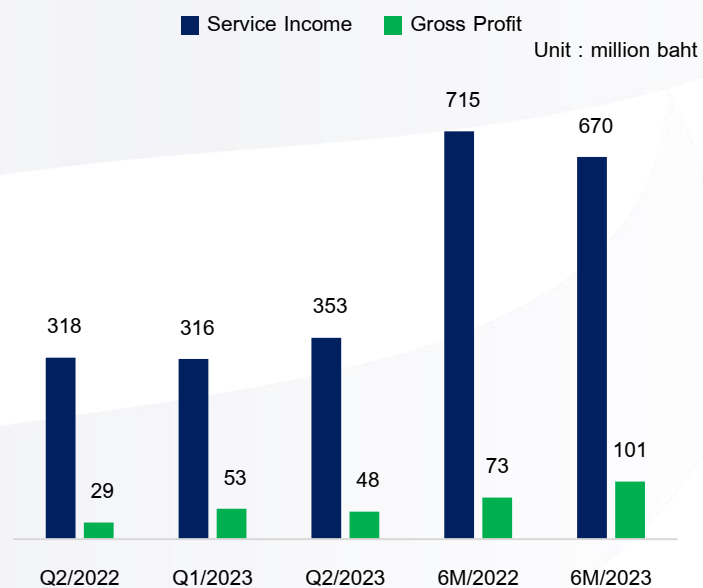
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3. Cross Border Service

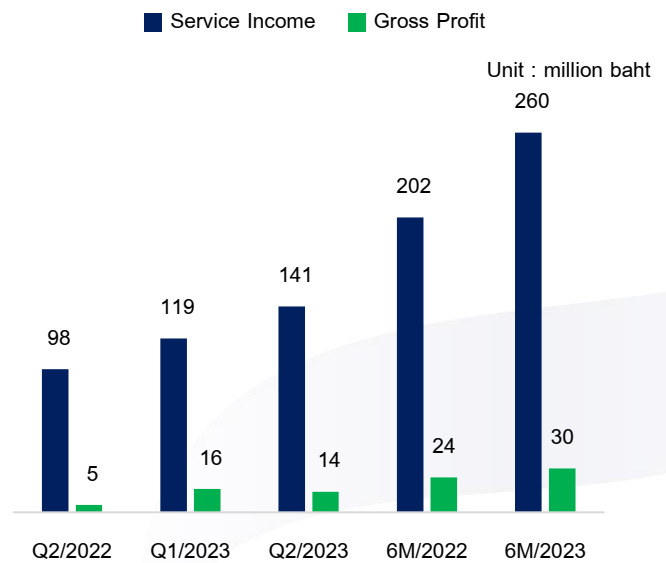
Revenue from Cross Border Service for the Q2/2023 was 353 million baht, an increase of 35 million baht, representing 11% of the previous year for the same period, and for the 6M/2023, it was 670 million baht, a decrease of 45 million baht, representing was 6% of the previous year for the same period. Revenue from Cross Border Service in 2023 increased from the previous year due to this year There is no checkpoint closure in China, which makes it easy to transport goods, resulting in an increase in revenue from cross-border land transportation compared to 2022. Gross profit from cross-border land transportation for the second quarter of 2023 was 48 million baht, an increase of 19 million baht, representing 66% of the previous year for the same period and for the 6M/2023, equal to 101 million baht, an increase of 28 million baht, representing 38% of the previous year for the same period.

The gross profit margin improved from effective cost management according to the strategy. Managed return trips to increase the volume. In Q2/2023, compared to last year, from 9.1% improved to 13.6% and for the six-month period this year compared to last year from the original 10.2% improved to 15.1%



4. Supply Chain Solutions

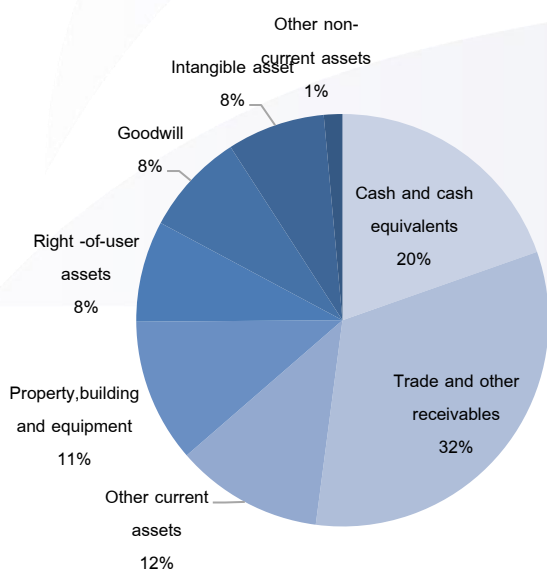
Revenue from Supply Chain Solutions for the Q2/2023 was 141 million baht, an increase of 43 million baht, representing 44% of the previous year for the same period, and for the 6M/2023, it was 260 million baht, an increase of 58 million baht, representing 29% of the previous year for the same period. Due to the company opening more warehouse service area of 30,000 square meters, resulting in the company's revenue increasing. Gross profit from Supply Chain Solutions for the Q2/2023 was 14 million baht, an increase of 9 million baht, representing 180% of the previous year for the same period, and for the 6M/2023, it was 30 million baht, an increase of 6 million baht, to 25% of the previous year for the same period.



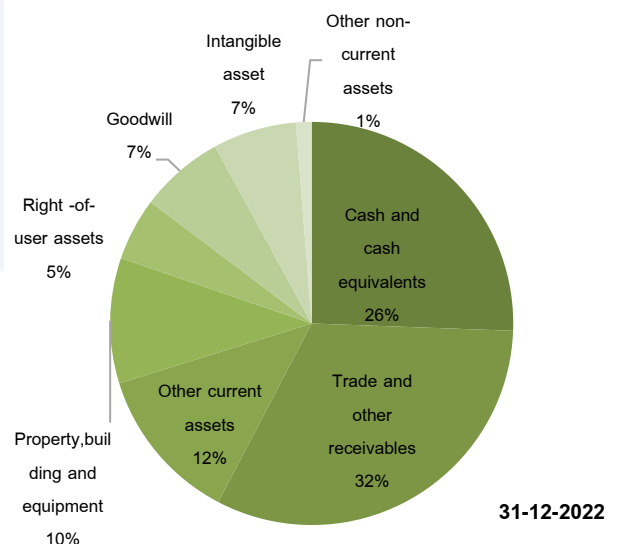
Financial position analysis

Unit : million baht

Balance Sheet	30-06-2023	31-12-2022	+ / (-)	%
Cash and cash equivalents	550	852	(303)	-35%
Trade and other receivables	909	1,069	(160)	-15%
Other current assets	324	417	(94)	-22.4%
Property, building and equipment	315	335	(20)	-5.8%
Right -of-user assets	222	167	55	32.6%
Goodwill	225	225	0	0.0%
Intangible asset	215	223	(8)	-3.7%
Other non-current assets	41	42	(1)	-3%
Total Assets	2,801	3,332	(531)	-15.9%



30-06-2023

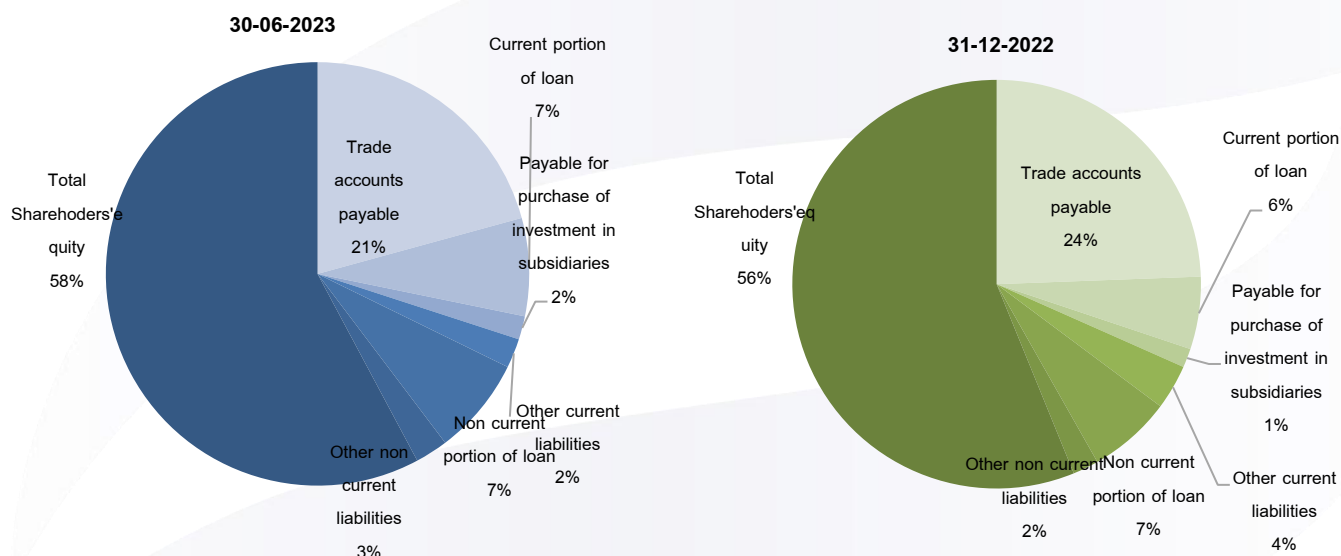


31-12-2022

The company has total assets as of June 30, 2023, and December 31, 2022, equal to 2,801 million baht and 3,332 million baht, respectively, a decrease of 531 million baht, representing 16%, due to a decrease in trade accounts receivable, varying with the decrease in revenue. Down by trade accounts receivable as of June 30, 2023, and December 31, 2022, equal to 909 million baht and 1,069 million baht, respectively, a decrease of 160 million baht, representing 15% and the decrease in cash caused in May 2023, the company paid dividends. To shareholders, with cash as of June 30, 2023, and December 31, 2022, equal to 550 million baht and 852 million baht, respectively, a decrease of 303 million baht or 36%.

Unit : million baht

Balance Sheet	30-06-2023	31-12-2022	+ / -	%
Trade accounts payable	581	813	(232)	-28.6%
Current portion of loan	209	191	18	9.6%
Payable for purchase of investment in subsidiaries	50	50	0	0.0%
Payable for business acquisition	0	0	0	0.0%
Other current liabilities	63	118	(55)	-46.9%
Non-current portion of loan	209	220	(11)	-5.1%
Other non-current liabilities	70	68	2	3%
Total liabilities	1,182	1,461	(279)	-19.1%
Balance Sheet	1,619	1,872	(252)	-13.5%



The company's total liabilities as of 30 June 2023 and 31 December 2022 were 1,182 million baht and 1,461 million baht, respectively, a decrease of 279 million baht or 19% due to a decrease in trade payables.

Costs reduced by trade payables as of 30 June 2023 and 31 December 2022 were 581 million baht and 813 million baht respectively, a decrease of 232 million baht or 29%.

Important events of the company in Q2/2023

- On April 25, 2023, the Annual General Meeting of the Company's shareholders passed a resolution approving the dividend payment from the operating results for the year 2022 to shareholders at the rate of 0.44 baht, amounting to 286.18 million baht, with dividend payment on May 15, 2023

- Euroasia Total Logistics Public Company Limited (Subsidiary) On July 27, 2023, the Board of Directors' meeting of the subsidiary No. 4/2023 resolved to propose to the extraordinary general meeting for approval. year Shareholders of subsidiaries as follows:
 1. Decrease the registered capital from 238,448,329 baht (476,896,658 shares at a par value of 0.50 baht per share) to 174,067,280 baht (348,134,560 ordinary shares at a par value of 0.50 baht per share).
 2. Increased registered capital from 174,067,280 baht (348,134,560 ordinary shares at a par value of 0.50 baht per share) to 310,000,000 baht (620,000,000 ordinary shares at a par value of 0.50 baht per share) for initial public offering (Initial public offering)
 3. Approved the listing of the subsidiary's ordinary shares as listed securities on the Stock Exchange of Thailand (SET).
 4. On August 7, 2023, the Board of Directors' meeting of the subsidiary No. 5/2023 resolved to approve the dividend payment. interim from the operating results during the January period Until July 2023 to shareholders at the rate of 0.15 baht per share, totaling not more than 53 million baht, the dividend payment is due on August 31, 2023.

Executive view of trends and strategies second half of 2023

The company expects that in the second half of the year 2023, Thailand's economy will recover, along with import expectations. exports will improve According to data from the Ministry of Commerce It is also during the high season of the logistics business. and the Company's main trading partners are The United States and China, imports and exports are improving as well. These factors are all factors that promote the growth of the company, which the company expects that the revenue will grow. in the second half which will grow in the logistics business as well as expanding cooperation with domestic and international partners to create business opportunities together. together with the company There is a strategy to manage costs and expenses for continuous efficiency to increase competitive opportunities.