

Management Discussion and Analysis: MD&A

Operating result and financial position

1) Highlight the Company performance result.

This year, the company had a net profit of Baht 56 million, a increase of 12% compared to the same period of the previous year. The main reason is that the company was able to reduce sales and administrative expenses by more than 10% from the previous year. In addition, the company focuses on cost management according to effective strategy, as well as the managing of return transportation trips for increasing.

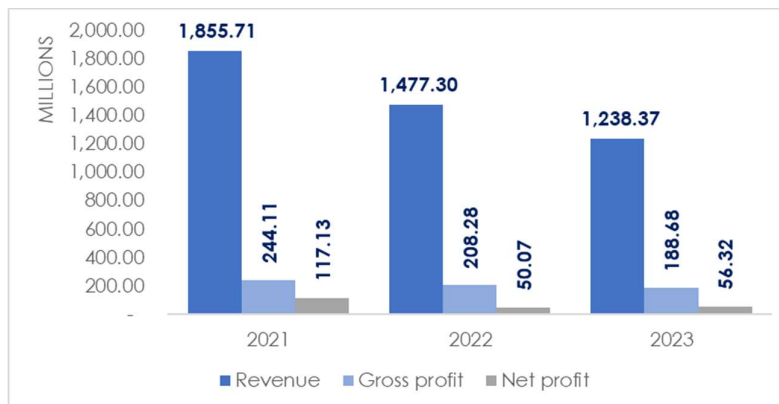
As a result, the gross profit margin for the year ended of this year significantly increased to 15.2%, it's the highest in the past 3 years and as the company had anticipated.

Summary of the Company performance result of the period ended 30 September

Comprehensive income statements (Unit : Million Baht)	Q4'22	Q3'23	Q4'23	YoY		QoQ	
				Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
Service incomes	354.90	303.75	288.43	(66.47)	-19%	(15.32)	-5%
Cost of services	(299.67)	(254.77)	(246.66)	(53.01)	-18%	(8.11)	-3%
Gross profit	55.23	48.98	41.77	(13.46)	-24%	(7.21)	-15%
Other income	(14.09)	0.92	6.29	20.38	145%	5.37	584%
Selling expenses	(0.81)	(1.38)	(1.79)	0.98	122%	0.41	30%
Administrative expenses	(36.60)	(24.35)	(35.89)	(0.71)	-2%	11.54	47%
Profit before finance cost and tax expenses	3.72	24.17	10.38	6.65	179%	(13.79)	-57%
Net profit (loss)	(1.16)	15.28	9.17	10.33	890%	(6.11)	-40%
<u>Profit attributable to:</u>							
Equity holders of the Company	5.40	16.87	10.89	5.49	102%	(5.98)	-35%
Non-controlling interest of the subsidiary	(6.56)	(1.59)	(1.72)	5.42	82%	(0.13)	-8%
Gross profit margin	15.56%	16.12%	14.48%				
Net profit margin	-0.33%	5.03%	3.18%				

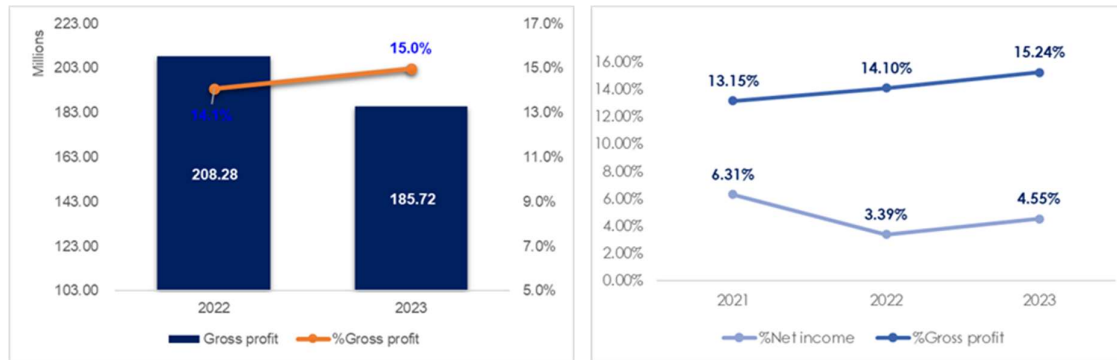
Comprehensive income statements (Unit : Million Baht)	For year		YoY	
	2022	2023	Increase (Decrease)	
Service incomes	1,477.30	1,238.37	(238.94)	-16%
Cost of services	(1,269.02)	(1,052.65)	(216.37)	-17%
Gross profit	208.28	185.72	(22.56)	-11%
Other income	3.88	10.46	6.58	170%
Selling expenses	(7.77)	(5.52)	(2.24)	-29%
Administrative expenses	(124.01)	(112.62)	(11.39)	-9%
Profit before finance cost and tax expenses	80.38	78.03	(2.35)	-3%
Net profit	50.07	56.32	6.25	12%
<u>Profit attributable to:</u>				
Equity holders of the Company	57.92	57.51	(0.41)	-1%
Non-controlling interest of the subsidiary	(7.84)	(1.18)	6.66	85%
Gross profit margin	14.10%	15.00%		
Net profit margin	3.39%	4.55%		

Service incomes



During the year, the Group was Baht 1,238 million, a decrease of Baht 239 million or 16% from the previous year and a decrease of 5% from the third quarter of the current year. The main reason is that conflict situations in many countries have caused the economy to slow down over the past year. In addition, the volume of transportation trips from Its Neighboring Countries such as Malaysia, Vietnam and Laos decreased in this year. For the Fourth quarter of the year 2022 and 2023, the Group's service income was Baht 355 million and Baht 288 million, respectively. The decrease in service income was caused by the slowdown of the economy both inside and outside the country this year. This can be seen from the Department of Trade's border and border trade statistics. In this year, the average total value of exports and imports continuously decreased.

Gross profit and Gross profit margin



From the above chart, the Company's gross profit margin in the year 2023 continuously increased since 2021. This is due to the Group's effective cost management according to its strategy of reduction of the cost of outsourcing transportation, which is the main cost of the group of companies. In addition, the number of empty trips of the group of companies has decreased. As a result, the gross profit margin in this year increased to 15.24%, which is the highest in the past three years. In addition, the net profit margin of the year 2023 increased to 4.55% according to our target of Company's strategy.

Other income

During the year 2023 and 2022, the other income of the Group amounted to Baht 10 million and Baht 4 million, respectively. Increasing from the previous year, it's mainly due to recognise a gain on foreign exchange in this year 2023 in the amount of 3 million Baht.

Selling and administrative expenses

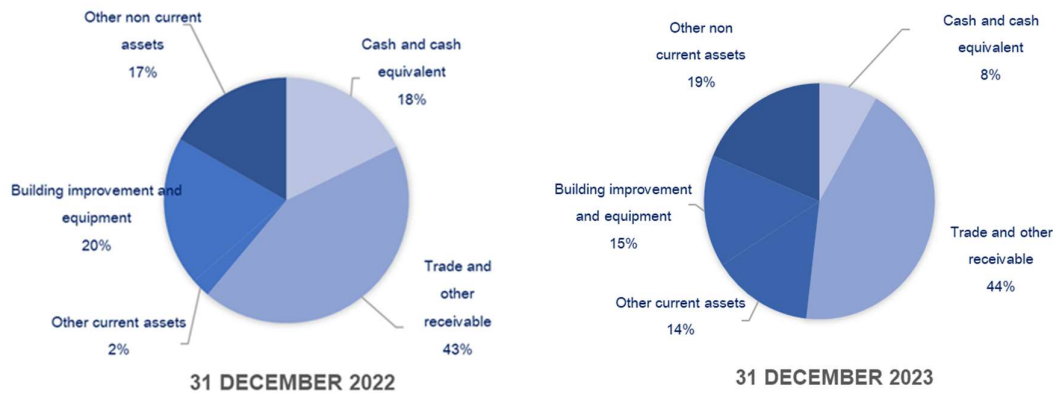
The Group has decreased by Baht 13 million or approximately 30% from the previous year in the sales and administrative expenses for the year 2023. For the Fourth quarter of the year 2023, the sales and administrative expenses increased by Baht 0.2 million or approximately 2% of the previous year, it's mainly due to reducing the Company common expenses in line with the company's strategy.

Net profit

The Group's net profit for the year 2023 was Baht 56 million, while the previous year's net profit was Baht 50 million, a increase of 12%. It's mainly due to the increase in gain on exchange of Baht 3 million and the decrease in financial cost of Baht 2 million from repayment long-term loan from financial institutions. As the result, the interest expenses decreased.

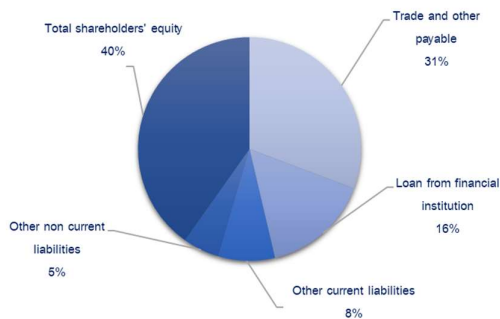
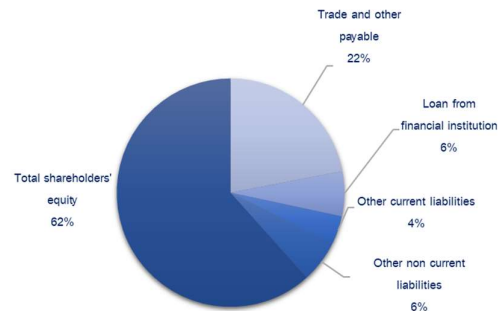
2) Financial position analysis

The statement of financial position	Consolidated financial statement as at			
	31 December 2022		31 December 2023	
	Million Baht	%	Million Baht	%
Assets				
Cash and cash equivalent	180.30	17.74	89.18	8.35
Trade and other receivable	440.50	43.36	454.00	42.49
Other current assets	25.20	2.48	153.79	14.39
Building improvement and equipment	200.20	19.72	167.86	15.71
Other non-current assets	169.67	16.70	203.72	19.07
Total assets	1,015.87	100.00	1,068.55	100.00


Assets

As at 31 December 2023, the Company had total assets worth Baht 1,068.55 million, a increase of Baht 52.68 million or 5.18% from 31 December 2022. It's mainly due to the investment in mutual funds of Baht 130 million and the cash received from collection debt during the year.

The statement of financial position	Consolidated financial statement as at			
	31 December 2022		31 December 2023	
	Million Baht	%	Million Baht	%
Liabilities and shareholders' equity				
Trade and other payable	312.25	30.74	234.97	21.99
Loan from banks	158.40	15.59	67.76	6.34
Other current liabilities	83.09	8.18	42.28	3.96
Other non-current liabilities	53.84	5.30	64.44	6.03
Total shareholders' equity	408.29	40.19	659.10	61.43
Total liabilities and shareholders' equity	1,015.87	100.00	1,068.55	100.00


31 DECEMBER 2022

31 DECEMBER 2023

Liabilities and shareholders' equity

As at 31 December 2023, the Company had total liabilities worth Baht 432 million, a decrease of Baht 176 million or approximately to 28.95% from 31 December 2022. It's mainly due to a decrease in trade and other payables from made payment and repayment the long-term loan from financial institutions of Baht 90 million.

As at 31 December 2023, the Company had arranged the increasing in share capital for initial public offering of 174 million shares, the price of Baht 1.68 and the Company had recognized the increasing in share capital of Baht 85 million and share premium of Baht 202 million in the shareholders' equity.

3) Perspective on the operating performance trend in the year 2024

The Company expects that the next year will be considered a period of growth for the logistics business. The trend of import and export volumes is likely to improve. For China's economic recovery, there is a better direction since the third quarter of the year 2023.

For the year 2024, the Company is preparing to support expansion into the Cold-Chain logistics business, which is a new market that the company views as a growth market so that It is expected that this will result in a better gross profit margin. In addition, the Company continues to implement strategies for managing costs and expenses to be continuously efficient to continuously increase the ability to make profits.