

## Management Discussion and Analysis Quarter 1 Ending 31 Mar 2024

Q1/2024 results, the company continued to grow from Q4/2023, with service revenue increasing 8.7% and net profit increasing 95.1%. By the beginning of 2024, the Chinese economy has begun to recover. China is the main customer country of the company. Make imports and exports better Transport volume Both Sea and air freight services continued to grow from Q4/2023, with freight rates increasing due to the Red Sea situation. As a result, the company's income has continued to increase.

Unit : million baht

Profit and loss statement	Q1/2023	Q4/2023	Q1/2024	% YOY	% QOQ
Service income	1,031	886	963	-6.6%	8.7%
Gross profit	211	146	184	-12.7%	26%
Other income	4	12	14	221.5%	10%
Selling expenses	24	24	24	-1%	1%
Administrative expense	102	103	112	9.9%	8.9%
Finance cost	5	4	1	-76%	-72.3%
Income tax expense	20	-1	12	-36.7%	-2129.6%
Profit for the period	65	28	48	-25.5%	70.1%
<b>Profit Attributable To</b>					
Equity holders of the company	55	20	39	-30.1%	95.1%
Non-controlling interests of subsidiaries	10	9	10	-1.7%	6.1%
Gross profit margin	20.50%	16.53%	19.16%	-1.3%	2.6%
Net profit margin	5.35%	2.21%	3.96%	-1.4%	1.8%

As a result of operations, the company had service income for the Q1/2024 in the amount of 963 million baht, a decrease of 68 million baht, accounting for 6.6% from the Q1/2023 and an increase of 77 million baht, accounting for 8.7% from the Q4/2023, which increased service revenue for the Q1/2024 compared to the Q4/2023 was due to the company having increased transportation volumes, both sea transportation and air transportation. In addition, ship freight rates have increased. As a result, income from maritime services has increased due to such factors as well.

The company's gross profit for the Q1/2024 was 184 million baht, a decrease of 27 million baht, representing 12.7% from the Q1/2023, and an increase of 38 million baht, representing 26% from the Q4/2023, which increased gross profit. For Q1/2024 compared to Q4/2023, it varies according to increased income. As for the gross profit ratio, it improved as well, with the Q4/2023 equal to 16.53% and the Q1/2024 improved to 19.16% due to the company continuously efficiently manage costs according to the strategy, allowing the company to maintain profit margins at a better level.

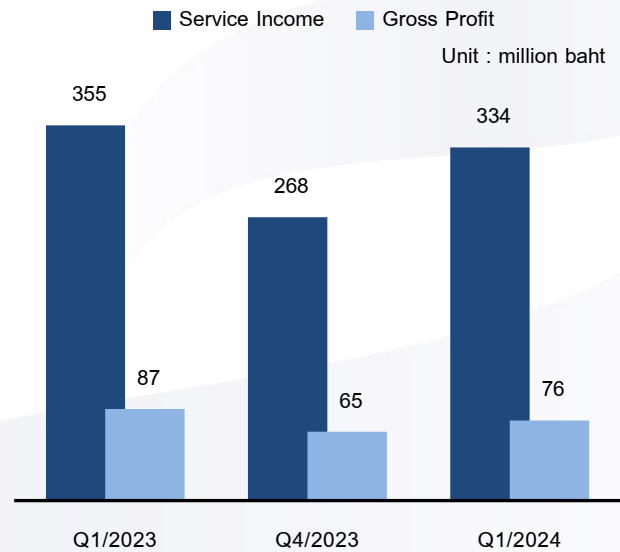
Administrative expenses for the Q1/2024 amounted to 112 million baht, an increase of 10 million baht, representing 9.9% from the Q1/2023 and an increase of 9 million baht, representing 8.9% from the Q4/2023, because this year the company WICE Global Road Solutions Pte. Ltd. in Singapore and WICE Logistics Lao Sole Co., Ltd. in Laos were opened, resulting in increased administrative expenses.

The company's net profit for the Q1/2024 was 39 million baht, a decrease of 17 million baht, representing 30.1% from the Q1/2023, and an increase of 19 million baht, representing 95.1% from the Q4/2023, which increased net profit for the quarter. 1/2024 compared to 4Q/2023, varying according to increased income. For the net profit margin, it improved as well, with the Q4/2023 equal to 2.21% and the Q1/2024 improved to 3.96%.

## **Performance by Business Unit**

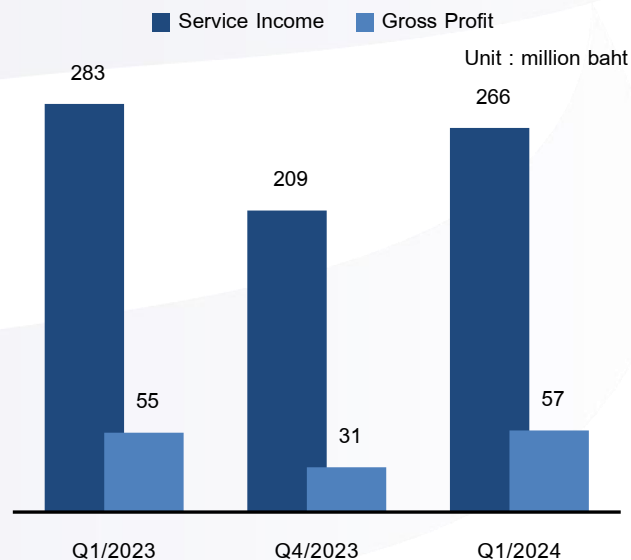
### **1. Sea Freight**

Revenue from sea freight for the Q1/2024 amounted to 334 million baht, a decrease of 21 million baht or 5.9% from the Q1/2023 and an increase of 66 million baht or 24.6% from the Q4/2023 sea freight costs increased for Q1/2024 compared to Q4/2023 due to increased freight rates due to the Red Sea situation. Including the company there was an increase in transportation volume from the Q4/2023 by approximately 12%. Gross profit from sea transportation for the Q1/2024 amounted to 76 million baht, an increase of 11 million baht, accounting for 16.4% from the Q4/2023 for the profit ratio. Initially, the company still maintains good profit margins. The gross profit margin Q1/2024 is 23%.



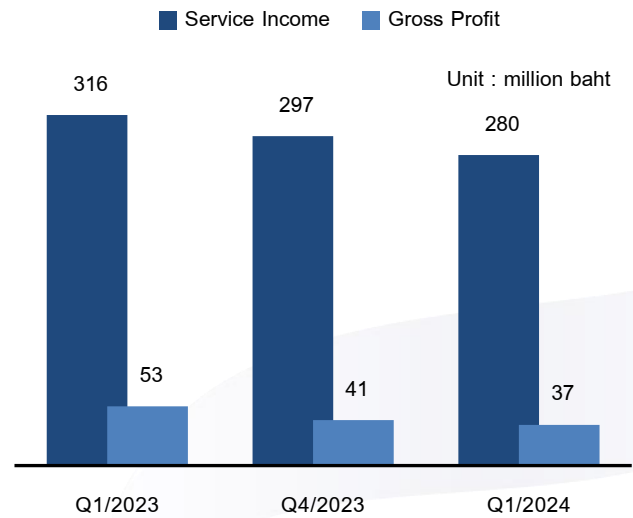
### **2. Air Freight**

Revenue from Air freight for the Q1/2024 amounted to 266 million baht, a decrease of 17 million baht or 5.9% from Q1/2023 and an increase of 57 million baht or 27.4% from 4Q/2023. The weather has decreased from last year. From the situation of economic slowdown, imports and exports decreased. But if compared to the Q4/2023, it will be seen that the income in the Q1/2024 has grown up to 27.4% due to imports and exports in China gradually improving this year, especially at WICE Logistics (Malaysia) Sdn Bhd. The growth rate of air cargo revenue compared to the previous year grew to 135%. Gross profit from air cargo for the Q1/2024 amounted to 57 million baht, an increase of 26 million baht, representing 82.5% from the quarter. 4/2023 for the gross profit ratio improved as well, with the Q4/2023 equal to 15% and the Q1/2024 improved to 21%.



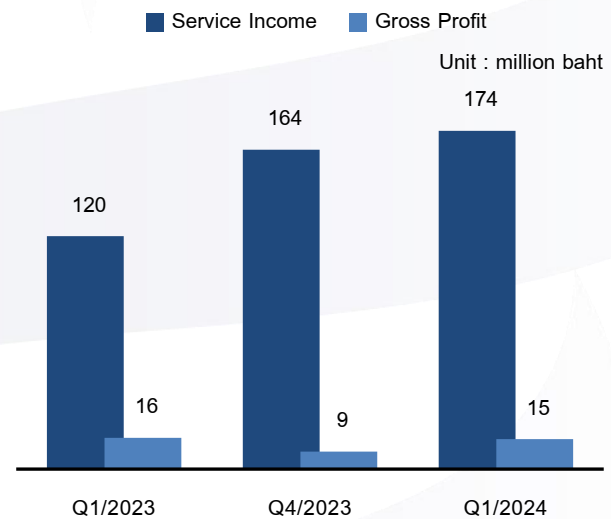
### 3. Cross Border Service

Revenue from Cross Border Service for the Q1/2024 amounted to 280 million baht, a decrease of 36 million baht, representing 11.4% from the Q1/2023 and a decrease of 17 million baht, representing 5.7% from the Q4/2023, the main reason being the economic slowdown in this quarter continued from the Q4 of last year, along with a slowdown in the volume of Cross Border Service in Thailand. and Malaysia Still decreased from the previous year at the rate of 5 percent and 10 percent. Gross profit for the Q1/2024 amounted to 37 million baht, decreased by 4 million baht, accounting for 10.3% from the Q4/2023 for the gross profit ratio. The company still maintains a good profit rate, with a gross profit ratio for the Q1/2024 equal to 13%.



### 4. Supply Chain Solutions

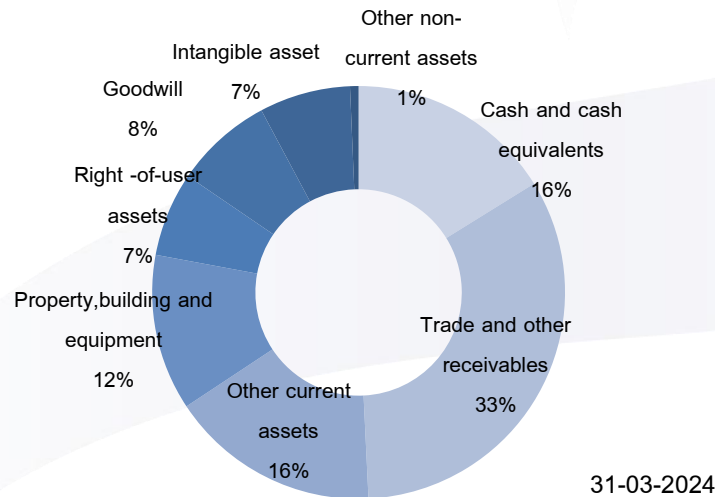
Revenue from Supply Chain Solutions for the Q1/2024 amounted to 174 million baht, an increase of 54 million baht, representing 45.2% from the Q1/2023 and an increase of 10 million baht, representing 6% from the Q4/2023, because this year the company More warehouse service areas have been opened, causing the company to have increased income. Gross profit from Supply Chain Solutions for the Q1/2024 amounted to 15 million baht, an increase of 6 million baht or 71.8% from the Q4/2023. The gross profit ratio for Q1/2024 was 9%, increasing from the Q4/2023. equal to 5%



## Financial position analysis

Unit : million baht

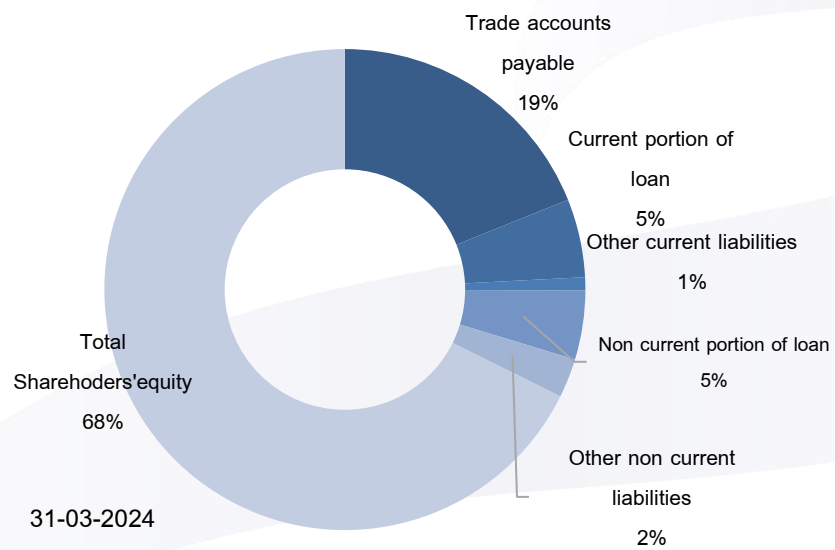
Balance Sheet	31-03-2024	31-12-2023	+ / -	%
Cash and cash equivalents	475	509	(34)	-6.6%
Trade and other receivables	972	916	55	6.1%
Other current assets	484	479	4	0.9%
Property, building and equipment	359	301	58	19.3%
Right -of-user assets	194	192	2	1.2%
Goodwill	225	225	0	0%
Intangible asset	210	213	(3)	-1.4%
Other non-current assets	20	21	(1)	-7%
<b>Total Assets</b>	<b>2,938</b>	<b>2,856</b>	<b>82</b>	<b>2.9%</b>



The Company had total assets as of March 31, 2024 and December 31, 2023 equal to 2,938 million baht and 2,856 million baht, respectively, an increase of 82 million baht, or 2.9%, due to trade receivables that increased according to income in the Q1/2024, which increased from the Q4/2023, with trade receivables as of March 31, 2024 and December 31, 2023 equal to 972 million baht and 916 million baht, respectively, an increase of 55 million baht, equivalent to 6.1%, and in the Q1/2024 WICE Logistics Lao Sole Co., Ltd has invested in purchasing EV Trucks for use in operations. It can be seen that land, buildings and equipment as of March 31, 2024 and December 31, 2023 are equal to 359 million baht and 301 million baht, respectively, increased by 58 million baht, accounting for 19.3%

Unit : million baht

Balance Sheet	31-03-2024	31-12-2023	+ / -	%
Trade accounts payable	556	562	(6)	-1.1%
Current portion of loan	155	44	11	7.4%
Other current liabilities	26	34	(8)	-23.1%
Non-current portion of loan	136	148	(11)	-7.7%
Other non-current liabilities	77	75	2	2.6%
Total liabilities	950	962	(13)	-1.3%
Balance Sheet	1,988	1,894	95	5%



The Company had total liabilities as of March 31, 2024 and December 31, 2023 equal to 950 million baht and 962 million baht, respectively, a decrease of 13 million baht, or 1.3%, due to repaying long-term loans on time. Long-term loans as of March 31, 2024 and December 31, 2023 were 136 million baht and 148 million baht, respectively, a decrease of 11 million baht or 7.7%.

### **Executives' views on trends and strategies**

- Sea and air transportation from the economic recovery of China causing the volume of shipping and air transportation of the company gradually grows, revenue from sea transport services grew by 25% and revenue from air transport services grew by 27% when compared to Q4/2023 and from the operating results of WICE Logistics (Malaysia) Sdn. Bhd. that is growing by leaps and bounds. Therefore, from such growth, the company plans to establish a subsidiary company in the Philippines to increase the company's market expansion potential in the South Asia region to support business growth opportunities
- - For Project Transport (EV TRUCK) in the Q1/2024, WICE Logistics Lao Sole Co., Ltd has invested in purchasing an EV Truck to support the work that will begin on Q2/2024. The company expects to recognize revenue. Obtained from services in this project around the end of Q2/2024.

Therefore, the company expects that from the economic recovery of China and US Import-export will improve and from the business strategy plan and increasing investment capacity. together with business opportunity factors will make the company Have income that is growing Along with maintaining an efficient profit rate for sure.