

SCGJWD Logistics Public Company Limited
Management Discussion and Analysis in 1Q2024

Executive Summary

For the purpose of implementing the company's primary strategy, expanding the logistics and supply chain business nationwide will require forming alliances with strategic partners in order to fully utilize each other's capabilities to provide integrated logistics services in the country and other countries. For 2024, the Company has the following main plans: 1) Seamless Regional Expansion & Connectivity, 2) Cross-Sale & Up-Sale by maximizing the advantages of shared resources in terms of cost and existing customer base expansion to increase revenue growth opportunities, 3) New Business Opportunities with the intention of growing its business both domestically and globally, 4) Growing DC2 segment, such as B2B, B2B2C, C2C, Self-Storage, etc., and 5) Continue to broaden the range of services offered to new business opportunities, such as Property Solutions and Logistics IT Solutions to achieve the goal of increasing the market CAP to 100,000 million Baht by 2027.

Regarding that strategy, after the merger with SCG Logistics Management Company Limited (SCGL) and changing its name to SCGJWD Logistics Public Company Limited ("SJWD") since Q1/2023. The Company has the potential to offer the most extensive logistics and supply chain services in the country and other countries in the ASEAN region, including South China, and become the Leading and Most Trusted Logistics and Supply Chain Solutions Provider in ASEAN. Following the merger, all departments in the Company collaborate to establish synergy. For instance, lower accounting costs for both domestic and foreign companies, combining the purchase of equipment or the use of already-existing resources on the transport and warehouse business units, including human resources, to cut costs, executing cross selling and up selling and leveraging knowledge to grow into new markets such as healthcare and food sectors.

The Company is now in a healthier financial position, which enables it to expand its operations as intended. By the year end, the Company has purchased 4.21% of Sino Logistics Corporation Public Company Limited (SINO). SINO is engaged in the business of international freight forwarding, both air freight and sea freight, and multimodal transport operation. Its strength lies in its position as the top sea freight carrier among Thai service providers on the Thai-U.S. route, and ranking No. 4 in the world. The collaboration with SINO will enhance the capabilities of international logistics services on sea freight, have greater negotiating leverage when obtaining tons of cargo, and improve both the efficiency and quality service of their freight management.

In Q1/2023, the Company increased its shareholding in Asia Network International Plc. (ANI) to 20.12%, a listed company on the Stock Exchange of Thailand that operates as the Cargo General Sales and Services Agent or

Cargo GSA ("GSA") for over 20 airlines in 8 countries: Thailand, Singapore, Malaysia, Vietnam, Cambodia, the Republic of the Union of Myanmar, China, and Hong Kong Special Administrative Region. Collaborating with ANI facilitates the growth of the Company's air freight business and boosts income by enabling the expansion of more integrated solutions, such as customs clearance, warehousing, and land transportation. Additionally, by collaborating directly with the general sales agent (GSA) rather than through a freight forwarder, the Company can lower service costs and raises the competitiveness of air freight rates. Through utilizing digital technologies to enhance excellent operations, including increasing revenue through expanding the Company's overseas activities in countries, such as Malaysia, Cambodia, Vietnam, and China, etc.

During the same period, the Company purchased a 20.44% stake in Swift Haulage Berhad (SWIFT), a listed company on the Stock Exchange in Malaysia, which specializes in land transportation, and a the largest container haulage service provider in Malaysia. The partnership with SWIFT opens up more opportunities for cross-border freight services between Thailand, Malaysia, and Singapore, and gives the Company access to a superior cross-border freight network. The Company has also prepared and collaboratively researched the potential for investing in the cold chain storage warehouse business in Malaysia. In order to support SWIFT expansion of cold chain storage business, the Company will use its expertise to provide SWIFT with its knowledge. Additionally, the Company is studying the feasibility of exporting cars and auto parts between Thailand and Malaysia, and will broaden its services to include the assembly of various auto parts.

Therefore, the Company has started recognizing the equity income from investment in ANI and SWIFT proportionally from 1Q2024 onwards.

Overview of Business Performance in 1Q2024

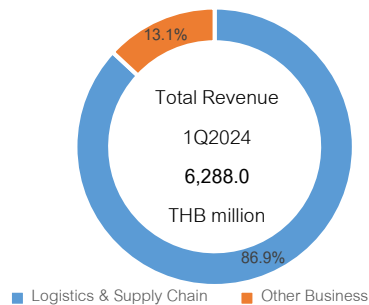
The performance of transport and distribution businesses, which generated roughly 50% of total revenue in the first quarter of 2024, performed better both domestically and internationally. This resulted from adjusting strategies in various management areas, such as cost reduction, improved headhaul and backhaul management to decrease the number of empty trucks. These adjustment led to a decrease in various expenses and transportation costs. Besides, the Company effectively oversees transport and distribution by providing multimodal transportation services from the port, a strategic location, through various modes of transportation: sea, road, rail, and air. The Company has achieved success by modifying its approach and expanding its business to encompass logistics and supply chain services in collaboration with other strategic partners as previously indicated.

In addition, there was a slight slowdown and several external factors posed challenges for warehouse and yard management business, particularly in food & cold chain storage service and automotive and auto parts logistics management service. For example, 1) a rise in the price of chicken meat during the quarter started led to a decrease in space utilization rates from the previous quarter and a large number of pickups from cold chain storage warehouse. 2) Stringency in financial institution loan approvals impacted the slowdown in consumers' purchasing power of for automobiles, hence it resulted in a decrease the volume of automotive yard and management service. In order to resolve the problems, the Company has implemented a new strategy into the issue by replacing and increasing the proportion of seafood and tuna products in the stock constantly. In addition, the price of chicken price was currently in a better situation, which enhanced the utilization rate. The automotive yard and auto parts logistics management business has closed new projects from both existing and new customers, such as new EV brands import and logistics, and logistics of domestic EV production, all of which will start service operation in the second half of the year.



Operating Results of 1Q2024

Total Revenue Structure in 1Q2024



Unit : Million Baht	Quarter 1			QoQ	YoY
	1/2023 ⁽¹⁾	4/2023 ⁽²⁾	1/2024 ⁽²⁾	+/(-)%	+/(-)%
Total Revenue	4,942.1	6,378.4	6,288.0	(1.4%)	27.2%
Revenue from rental and rendering of services	4,310.0	5,401.8	5,455.0	1.0%	26.6%
Gross Profit	706.8	830.2	786.0	(5.3%)	11.2%
Gross Profit Margin (%)	16.4%	15.4%	14.4%	(6.2%)	(12.1%)
Interest income, Dividend income and Other income	57.5	78.3	36.0	(54.0%)	(37.3%)
Selling and Administrative Expenses	509.0	581.341729	504.786	(16.7%)	8.8%
Finance Costs	(99.2)	(134.0)	(146.1)	9.0%	47.3%
Share of profit of investments in associates and joint ventures	85.1	41.8	40.9	(2.1%)	(51.9%)
Net profit attributable to owners of the Company	231.2	261.0	164.1	(37.1%)	(29.0%)
Net Profit Margin (%)*	4.7%	4.1%	2.6%		
Extra items from the investment	(44.40)	(25.70)	(11.8)		
Net profit attributable to owners of the Company (before extra items)	275.6	286.5	175.9	(32.7%)	(23.9%)
Net Profit Margin (%)*	5.6%	4.5%	2.8%		

*Net Profit Margin = Net profit attributable to owners of the Company / Total revenue

Note:

- The financial statements and operating results in 1Q2023, 4Q2023, and 1Q2024 were the financial statements after the merger between SCG Logistics Management Co., Ltd. and JWD Company InfoLogistics Public Company Limited starting from February 1, 2023, and presented as a consolidated statement.
- Extra items – Extra items from the investment in 20.12% shareholding of Asia Network International Public Company Limited (ANI), which was a 1-time expense including advisory fees for the 3-month period in 1Q2024 amounting of 11.8 million Baht.

Total Revenue

Operating performance for the 3-month period as ended of 31 March 2023 in 1Q2024, the Company had total revenue of Baht 6,288.0 million, - 1.2% QoQ, and +27.2 YoY. This was due the Company started to recognize revenue following the merger in February, it was unable to record revenue for the entire quarter as a result. Besides, the total revenue in 1Q2024 that decreased from the previous quarter was resulted from the impact of the economic slowdown and other external variables on the performance of certain business units. For instance, 1) general warehouse and yard management business - some products were moved out because of the contracts from existing customers were expired during the end of last year, and it is currently getting more products into the warehouse from new customers. 2) Automotive yard and management business – it was impacted by a slowdown in new car sales, a decline in automotive manufacture, and car transportation in the 1st quarter. This was also due to the overall domestic economy that has not yet recovered, high household debt, strictly loan

approval of purchasing automobiles from financial institutions. This quarter's sales from the automotive business decreased in comparison to the previous quarter's noteworthy growth. 3) Food & Cold Chain business was impacted by an external factor of a rise in chicken price during Chinese New Year holiday and caused a large drawdown of inventory as mentioned above.

However, the Company provides specialized logistics and supply chain solutions service throughout Thailand and in the ASEAN region. For the 1st quarter of 2024, the business segment that saw improvement and increased revenue was Transport and Distribution in B2B segment. This was due to overall of the cement industry domestically and cement exports grew as compared the same quarter last year. This has a positive impact on the transportation of building materials, such as steel, cement, and coal, as well as other related freight services since the beginning of the year. In addition, such factors also have a positive impact on overseas logistics service business.

Gross Profit

In 1Q2024, the Company had a gross profit of Baht 786.0 million, a gross profit margin of 12.6%, -5.3% QoQ, and +12.8% YoY. The reason for the decrease in gross profit margin from the previous quarter was due to the revenue from general & free zone warehouse business, automotive business, and food and cold chain business dropped while fixed costs was remain the same. However, it is worth noting that gross margins in the B2B and D2C segments improved significantly in the quarter, demonstrating an improvement in the cost efficiency of those segments from the Company's planned synergy. However, B2B and D2C segments' gross margins improved significantly in the quarter, demonstrating an improvement in the cost efficiency of those segments from the Company's planned synergy.

Share of profit of investments in associates and joint ventures

In 1Q2024, the Company had net profit attributable to owners of the Company of Baht 40.9 million, -4.9% QoQ, and +2.4% YoY. This was mainly due to a decline in equity income from joint venture companies such as Transimex Corporation (TMS) which adjusted erroneous recording of profit from asset sales in 2023 in 1Q2024, and Siam JWD Logistics Company Limited (SIAM JWD) that resulted from lower sales of EV than the previous quarter.

Interest Income, Dividend Income, and Other Income

In 1Q2024, the Company had interest income, dividend income, and other income of Baht 36.0 million, -54.0% QoQ, and -37.3% YoY. This resulted from the recognition of gain/ loss on exchange rates.

Selling, General, and Administrative Expenses (SG&A)

In 1Q2024, the Company had SG&A of Baht 483.6 million, -16.7% QoQ, and +8.8% YoY. This was due to extra item from the investment in shareholding of Asia Network International Public Company Limited (ANI), which was a one-time expense. It is noteworthy, therefore, that in contrast to the prior year, the Company was able to maintain control over and drastically cut management and sales expenses. This is a step in the Company's cost and expense synergy strategy implementation.

Finance Costs

In 1Q2024, the Company had finance costs of Baht 146.1 million, +9.0% QoQ, and +47.3% YoY. This resulted from short-term loans for the investment in Asia Network International Public Company Limited (ANI) and Swift Haulage Berhad (SWIFT) regarding the Company's expansion plan.

Net Profit Attributable to Owners of the Company

In 1Q2024, the Company had net profit attributable to owners of the Company of Baht 164.1 million, -37.1% QoQ, and -29.0% YoY. This resulted from a slowdown in the performance of Warehouse and Yard Management business, an increase in finance costs from short-term loans for investments in ANI and SWIFT, and a decline in equity income from associates and joint ventures as previously stated.

Analysis of Financial Performance by Business Segment

The Company reorganized its business units to align with the merged business. Revenue and gross profit classified by business segment were divided into details as shown in the table:

Revenue: Group of Business (Unit: million Baht)	Quarter 1			+/(-)%		% of Total Revenue		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1. Logistics & Supply Chain								
1.1. Warehouse & Yard Management Business	817.7	1,032.8	924.9	-10.5%	13.1%	16.7%	16.4%	14.8%
1.2. Transportation & Distribution business	2,478.4	2,955.4	3,170.0	7.3%	27.9%	50.7%	46.9%	50.7%
1.3. Other Logistics business	502.8	663.0	557.8	-15.9%	10.9%	10.3%	10.5%	8.9%
1.4. Overseas business	495.6	750.6	806.9	7.5%	62.8%	10.1%	11.9%	12.9%
Total Revenue of Logistics and Supply Chain	4,294.5	5,401.8	5,459.5	1.1%	27.1%	87.9%	85.7%	87.3%
2. Other Businesses	590.1	898.3	792.5	-11.8%	34.3%	12.1%	14.3%	12.7%
Total	4,884.6	6,300.1	6,252.0	-0.8%	28.0%	100.0%	100.0%	100.0%

Gross Profit: Group of Business (Unit: million Baht)	Quarter 1			+/(-)%		% Gross Profit Margin		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1. Logistics & Supply Chain								
1.1. Warehouse & Yard Management Business	300.9	358.2	291.2	-18.7%	-3.2%	36.8%	34.7%	31.5%
1.2 Transportation & Distribution business	218.7	192.1	268.6	39.8%	22.8%	8.8%	6.5%	8.5%
1.3 Other Logistics business	113.2	144.4	105.0	-27.3%	-7.3%	22.5%	21.8%	18.8%
1.4 Overseas business	31.5	78.5	106.0	35.0%	237.1%	6.3%	10.5%	13.1%
Total Revenue of Logistics and Supply Chain	664.2	773.3	770.8	-0.3%	16.0%	15.5%	14.3%	14.1%
2. Other Businesses	32.6	56.9	15.2	-73.4%	-53.4%	5.5%	6.3%	1.9%
Total	696.8	830.2	786.0	-5.3%	12.8%	14.3%	13.2%	12.6%
Adjustment according to TFRS16	10.0	14.6	12.7	-13.2%	27.0%	0.2%	0.2%	0.2%
Adjustment according to PPA report	85.1	41.8	40.9	-2.1%	-51.9%	1.7%	0.7%	0.7%
Gross profit after adjustment	706.8	886.6	839.5	-5.3%	18.8%	14.5%	13.4%	12.8%

1.1 Warehouse and Yard Management

Revenue: By Product Categories (Unit: million Baht)	Quarter 1			+/(-)%		% of Total Revenue		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1.1.1 General Goods	237.0	278.3	262.2	(5.8%)	10.6%	4.9%	4.4%	4.2%
1.1.2 Dangerous Goods	123.7	122.0	123.1	0.9%	(0.5%)	2.5%	1.9%	2.0%
1.1.3 Automotive	224.5	340.0	275.1	(19.1%)	22.6%	4.6%	5.4%	4.4%
1.1.4 Cold Chain Storage	232.5	292.6	264.4	(9.6%)	13.7%	4.8%	4.6%	4.2%
Total	817.7	1,032.8	924.9	(10.5%)	13.1%	16.7%	16.4%	14.8%

Gross Profit: By Product Categories (Unit: million Baht)	Quarter 1			+/(-)%		% Gross Profit Margin		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1.1.1 General Goods	58.3	61.4	57.2	(6.9%)	(2.0%)	24.6%	22.1%	21.8%
1.1.2 Dangerous Goods	45.9	44.4	46.6	5.1%	1.5%	37.1%	36.3%	37.9%
1.1.3 Automotive	106.7	125.2	83.6	(33.2%)	(21.6%)	47.5%	36.8%	30.4%
1.1.4 Cold Chain Storage	90.0	127.3	103.8	(18.4%)	15.4%	38.7%	43.5%	39.3%
Total	300.9	358.2	291.2	-18.7%	-3.2%	36.8%	34.7%	31.5%

1.1.1 General Goods

In 1Q2024, the Company had revenue of Baht 262.2 million, -5.8% QoQ, and +10.6 YoY. This resulted from a decline in demand for rental space in general warehouse in the latter part of the previous year as a result of some customers' contracts expiring, and it is currently getting more products into the warehouse from new customers.

The average rate of general warehouse space utilization in 1Q24 was 93.4%, increased from the previous quarter due to automotive business utilize that available space for parking EV imports.

1.1.2 Dangerous Goods

In 1Q2024, the Company had revenue of Baht 123.1 million, +0.9% QoQ, -0.5% YoY. This was brought by the additional services for loading imported and exported automobiles in the container throughout the quarter.

Volume	3-month period		
	1/2023	4/2023	1/2024
Yard (TEU*)	43,049	45,631	42,229
Dangerous warehouse (Revenue Ton)	5,871	6,000	7,246

*TEU (Twenty Equivalent Unit) is 20-foot equivalent containers.

1.1.3 Automotive

In 1Q2024, the Company had revenue Baht 275.1 million, -19.1% QoQ, and +22.6% YoY. This was resulted from a slowdown in domestic consumers' purchasing power for new cars that caused a decline in revenue of car transport services. However, the Company intends to broaden the range of automotive services to new customer bases in both combustion vehicles and EV manufacturers that are gradually expanding into the Thai market which will increase in revenue of the automotive business through the rest of the year.

1.1.4 Cold Chain Storage Management

In 1Q2024, the Company had revenue of Baht 264.4 million, -9.6% QoQ, and +13.7% YoY. The reason that the revenue dropped was due to a rise in the price of chicken meat during the quarter started led to a decrease in space utilization rates from the previous quarter and a large number of pickups from cold chain storage warehouse. This resulted in utilization rate in 1Q2024 of 67.5%, decreased by 7.27% from the previous quarter.

Regarding the tuna's situation, it is still making good recovery. Imports and stockpiles of tuna have been rising consistently since the previous quarter. This also resulted in the percentage of seafood products in stock rose compared to the same quarter last year and the prior quarter.

Moreover, the Company is expanding 4 cold chain storage warehouses: PACS phase 2 in Saraburi province with total area of 3,400 sq.m. PACR in Pathum Thani province with total area of 14,600 sq.m., RDC in Chiang Mai province with total area of 2,700 sq.m., and SCG Nichirei in Samut Prakan province with total area of 17,091 sq.m. All 4 projects are currently under construction, and are expected to be operational in 1Q2025, 1Q2025, 4Q2024, and June 2025, respectively.

Regarding sustainable development, Food & Cold Chain business focuses on energy efficiency management and the use of renewable energy through the use of solar rooftops and the upgrading of all solar cell installation warehouses in order to minimize greenhouse gas emissions from electricity consumption and lower electricity costs. The Company installed solar cells for 7 warehouses with a total capacity of 9,317.60 kWh. Consequently, the Company was able to reduce its monthly electricity costs by roughly Baht 4 million / month. This also can reduce greenhouse gas emissions by 2,015,420.96 kgCO₂e in 1Q2024.

1.2 Transportation and Distribution Service

Revenue: By Product Categories (Unit: million Baht)	Quarter 1			+/(-)%		% of Total Revenue		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1.2.1 Business-to-business (B2B)	1,664.6	1,899.2	2,209.6	16.3%	32.7%	34.1%	30.1%	35.3%
1.2.2 Direct-to-customer (D2C)	463.5	594.9	605.4	1.8%	30.6%	9.5%	9.4%	9.7%
1.2.3 Cross Border	175.3	272.7	169.5	(37.8%)	(3.3%)	3.6%	4.3%	2.7%
1.2.4 Multimodal	175.0	188.6	185.5	(1.6%)	6.0%	3.6%	3.0%	3.0%
Total	2,478.4	2,955.4	3,170.0	7.3%	27.9%	50.7%	46.9%	50.7%

Gross Profit: By Product Categories (Unit: million Baht)	Quarter 1			+/(-)%		% Gross Profit Margin		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1.2.1 Business-to-business (B2B)	114.1	86.6	176.6	103.9%	54.7%	6.9%	4.6%	8.0%
1.2.2 Direct-to-customer (D2C)	38.0	38.8	43.4	11.9%	14.2%	8.2%	6.5%	7.2%
1.2.3 Cross Border	17.8	43.0	26.9	(37.6%)	50.9%	10.2%	15.8%	15.8%
1.2.4 Multimodal	48.8	23.7	21.8	(7.9%)	(55.3%)	27.9%	12.6%	11.8%
Total	218.7	192.1	268.6	39.8%	22.8%	8.8%	6.5%	8.5%

The transport business consists of:

1. Business-to-business (B2B), the transportation of goods that occurs between entrepreneurs and each other.
2. Direct-to-customer (D2C) the transportation of goods from manufacturers or service providers who deliver products directly to customers without going through intermediaries.
3. Cross-border cargo: The transportation of goods between states bordering or transiting to third countries. The revenue in the past cross-border transportation It groups the revenues of cross-border transportation with revenues generated both domestically and internationally which the revenue from the 1st quarter of 2023 of this business group will be charged in terms of cross-border transportation only on the Thai side. As for the overseas revenue, it will be classified in the overseas business group.
4. Multimodal transport is the transportation of goods from origin to destination in international with a combination of multimodal transport.

In 1Q2024, the Company had revenue from transportation and distribution service of Baht 3,170.0 million, +7.3% QoQ, +27.9% YoY. It was caused by increased shipments of industrial services: cement, steel and building materials.

Transportation and Distribution Service concentrated on the reduction of energy use by lowering backhaul and using of multimodal transportation use of electric-powered transportation vehicles (EV Truck) in order to promote sustainable development. The Company presently plans to increase the number of EV trucks in

operation with the aims to become a leader in logistics and supply chain by encouraging green logistics. It also focuses on educating transport drivers and agents about the value of operating energy-efficient delivery vehicles and lowering fuel consumption for eco-driving, which promotes safety and environmental protection.

1.2.1 Business-to-Business (B2B)

In 1Q2024, the Company had revenue of Baht 2,209.6 million, +16.3% QoQ, and +32.7% YoY. This was due to the fact that the overall picture of the domestic and export cement business grew up from the previous quarter and from the same period last year. As a result, the demand for cement and construction materials has increased. And from providing other types of transportation services, with B2B revenue accounting for 35.3% of the Company's total revenue.

1.2.2 Direct-to-Consumer (D2C)

Transportation services such as Agriculture, E&E and E-Commerce Business, Drop off Business, FMCG & Cold Chain Business, Automotive & Aftersales Service Business, Home Living & White Glove, and Backbone Operation are considered to be Direct-to-Consumer (D2C). In 1Q2024, the Company had revenue of Baht 605.4 million, +1.8% QoQ, and +30.6% YoY. This was due to the number of cargo trips in the Home Living, Agriculture, and Automotive segments and from adjusting strategies in managing various parts, such as reducing operation costs, managing round-trip transportation cycles (headhaul, backhaul) and managing problems with empty vehicles (backhaul), including the use of shared assets.

1.2.3 Cross Border

In 1Q2024, the Company had revenue of Baht 169.5 million, -37.8 % QoQ, and -3.3% YoY. This was mainly due to the decrease in the volume of cross-border transportation, especially automobiles in Cambodia. However, the business has developed several new cross-border transportation routes, such as transporting agricultural products and paper rolls to Myanmar via Ranong port, transporting cement and building materials products to Laos and Cambodia, transporting Electronic and FMCG Products to China by collaborating with SWIFT to create transport routes between Thailand and Malaysia that will help increase revenue for the business group throughout this year.

1.2.4 Multimodal

In 1Q2024, the Company had revenue of Baht 185.5 million, -1.6% QoQ, and +6.0% YoY. This was due to the volume of imports of bulk goods slightly decreasing from the previous quarter, especially in cement and coal products. In 1Q2024, the amount of these commodities was the same as it was in the previous quarter.

1.3 Other Logistics Service

Revenue: By Product Categories (Unit: million Baht)	Quarter 1			+/(-)%		% of Total Revenue		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1.3.1 Relocation Service	55.5	68.0	46.8	(31.1%)	(15.6%)	1.1%	1.1%	0.7%
1.3.2 Self-Storage, Safe Deposit, Art Space and Wine Bank	16.7	34.3	22.9	(33.2%)	37.3%	0.3%	0.5%	0.4%
1.3.3 Record and Information Management	36.8	39.9	40.1	0.6%	9.0%	0.8%	0.6%	0.6%
1.3.4 Logistics Infrastructure	110.3	106.4	101.6	(4.5%)	(7.8%)	2.3%	1.7%	1.6%
1.3.5 Freight	283.6	414.5	346.3	(16.5%)	22.1%	5.8%	6.6%	5.5%
Total	502.82	663.0	557.8	(84.7%)	45.0%	10.3%	10.5%	8.9%

Gross Profit: By Product Categories (Unit: million Baht)	Quarter 1			+/(-)%		% Gross Profit Margin		
	1/2023	4/2023	1/2024	QoQ	YoY	1/2023	4/2023	1/2024
1.3.1 Relocation Service	11.1	13.1	9.1	(30.3%)	(17.8%)	20.0%	19.2%	19.5%
1.3.2 Self-Storage, Safe Deposit, Art Space and Wine Bank	2.5	10.5	4.2	(59.8%)	66.4%	15.2%	30.7%	18.5%
1.3.3 Record and Information Management	15.7	17.8	17.8	0.2%	13.5%	42.7%	44.6%	44.4%
1.3.4 Logistics Infrastructure	17.4	12.2	11.2	(8.3%)	(36.0%)	15.8%	11.4%	11.0%
1.3.5 Freight	66.4	90.8	62.6	(31.1%)	(5.7%)	23.4%	21.9%	18.1%
Total	113.2	144.4	105.0	(27.3%)	(7.3%)	22.5%	21.8%	18.8%

1.3.1 Relocation Service

In 1Q2024, the Company had revenue of Baht 46.8 million, -31.1% QoQ, and -15.6% YoY. This was resulted from the low season of relocation services domestic and international relocation services as well as the demand for residential relocation declined in the first quarter of this year.

1.3.2 Self-Storage, Safe Deposit, Art Space and Wine Storage

In 1Q2024, the Company had revenue of Bath 22.9 million, -33.2% QoQ, +37.3% YoY. The reason that the revenue declined as compared to 4Q2023 was due to the art logistics agency's project revenue, which was realized throughout the quarter. Nonetheless, the revenue from self-storage had increased every quarter since the Company began marketing its services under the new name "MeSpace Self-Storage" in November, 2023.

1.3.3 Record and Information Management

In 1Q2024, the Company had revenue of Bath 40.1 million, +0.6% QoQ, +0.9% YoY. This resulted from the merger, which gave the Company the opportunity to expand its customer base both from affiliates and non-affiliates to utilize the services.

Quantity (Unit)	3-month period		
	1/2023	4/2023	1/2024
Boxes (Average)	1,291,866	1,379,882	1,424,389
Files (Average)	13,685,659	14,269,681	14,412,279
Scan (Total)	3,570,346	2,985,303	2,650,717

1.3.4 Logistics Infrastructure

Logistics Infrastructure Business consists of barge Terminal, rail yard management, and a terminal management business. In 1Q2024, the Company had revenue of Baht 101.6 million, -4.5% QoQ, -7.8% YoY. This was mainly due to Laem Chabang Port Terminal's contract expired at the end of September 2023.

1.3.5 Freight

In 1Q2024, the Company had revenue of Baht 346.3 million, -16.5% QoQ, +22.1% YoY. This was mainly due to the change in the revenue structure of the Warehouse & Yard Management and Transportation & Distribution businesses were transferred to be recognized directly in the related business group.

However, international shipment volumes, especially by sea freight, remained at a similar high level to the previous quarter, and were likely to improve sequentially from the Company's plans with its strategic partners: SINO and ANI, which will start to see sequential results for the rest of the year.

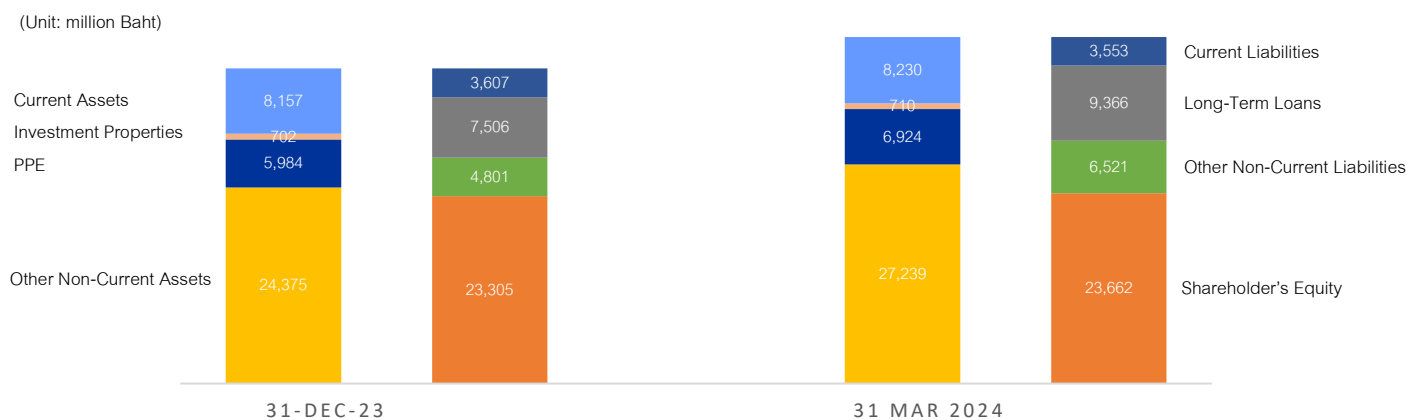
1.4 Overseas Logistics

The Company's financial statements consolidate the revenue from integrated logistics management, which includes warehouse, transportation, customs clearance, and ASEAN cross-border connectivity in Laos, Myanmar, Cambodia, and Indonesia. In 1Q2024, the Company had revenue of Baht 806.9 million, +7.5% QoQ, and +62.8% YoY. This resulted from the merger of the Company's operations with SCGL's, which enabled the Company to generate income from logistical services provided in Philippines, Indonesia, Laos, Myanmar, and Cambodia. With this development, the Company is able to better provide services to customers throughout the ASEAN region and operate more efficiently in the logistics and supply chain business.

2. Other Business

In 1Q2024, the Company had revenue of Baht 792.5 million, -11.8% QoQ, and +34.3% YoY. This revenue comprises of Food Supply Chain of Baht 166.7 million, Sourcing of Baht 551.8 million, and Others Baht 74.0 million. The sourcing business's overall revenue declined as a result of the diesel selling prices being fixed.

Financial Position Analysis



Assets

As at March 31, 2024, assets were Baht 43,102.3 million, increased of Baht 3,884.1 million, or +9.9% from as at December 31, 2023. This was mainly resulted from the increase in cash and cash equivalents of Baht 1,048.8 million, investment in associates of Baht 3,465.5 million, investment in joint venture of Baht 40.8 million, and other non-current assets of Baht 152.3 million.

Current Assets

As at March 31, 2024, current assets were Baht 6,923.8 million, increased of Baht 940.3 million, or +15.7% from as at December 31, 2023. This was due to an increase in cash and cash equivalents of Baht 1,048.8 million.

Non-Current Assets

As at March 31, 2024, non-current assets were Baht 36,178.5 million, increased of Baht 2,943.8 million, or +8.9% from as at December 31, 2023. This was due to a significant change from the increase in investment in associates of Baht 3,466.5 million, acquisition of investment in ANI and SWIFT of Baht 2,614.3 million, and equity income of Baht 38.3 million, an increase in investment in associates of Baht 40.8 million, and an increase in other non-current financial assets of Baht 152.3 million.

Liabilities

As at March 31, 2024, total liabilities were Baht 19,440.4 million, increased of Baht 3,527.5 million, or +22.2% from as at December 31, 2023. This was mainly from borrowing for the investment in ANI and SWIFT as the Company's expansion plan. This was an increase in bank overdrafts and short-term borrowings from

financial institutions amounted of Baht 1,250.5 million, and long-term borrowings from financial institutions amounted of Baht 2,357.6 million.

Current Liabilities

As at March 31, 2024, current liabilities were Baht 6,521.2 million, increased of Baht 1,720.4 million, or +35.8% from December 31, 2022. This was due to an increase in short-term borrowing from financial institutions with the total amount of Baht 1,250.5 million for the investment in associates, and partly from current portion of debentures increased of Baht 498.6 million.

Non-Current Liabilities

As at March 31, 2024, non-current liabilities were Baht 12,919.2 million, increased of Baht 1,807.1 million, +16.3% from as at December 31, 2023. This was mainly resulted from an increase in long-term borrowings from financial institutions amounted of Baht 2,357.6 million for the investment as mentioned above.

Shareholder's Equity

As at March 31, 2024, shareholder's equity was Baht 23,661.9 million, increased of Baht 356.7 million, or +1.5% from net profit of the Company.

Statement of cash flows

(Unit: million Baht)	Quarter 1	
	2023	2024
Cash and Cash Equivalents at 1 January	924.0	1,491.7
Net Cash from / (used in) Operating Activities	294.8	624.4
Net Cash from / (used in) Investing Activities	256.0	(2,837.8)
Net Cash from / (used in) Financing Activities	(62.4)	3,263.6
Impact of foreign exchange rates	(2.9)	(1.3)
Net Increase (Decrease) in Cash and Cash Equivalents	485.4	1,048.8
Cash and Cash Equivalents at 31 March	1,409.4	2,540.6

Cash flows from operating activities

As at March 31, 2024, the Company had net cash received from operating activities of Baht 624.4 million, increased by Baht 329.6 million, or +111.8%. This was resulted from an increase in proceeds from trade and other current receivables of Baht 228.04 million, an increase in depreciation and amortization of Baht 94.1 million, and an increase in finance costs of Baht 46.9 million.

Cash flows from investing activities

As at March 31, 2024, the Company had net cash used in investing activities of Baht 2,837.8 million, increased by Baht 3,093.8 million or +1,208.5 %. This was mainly from acquisition of investments in ANI and SWIFT with the total amount of Baht 2,614.3 million, and acquisition of property, plant and equipment amounted of Baht 207.5 million.

Cash flows from financing activities

As at March 31, 2024, the Company's had net cash used in financing activities of Baht 3,263.6 million, increased by Baht 3,326.0 million, or +5,330.1%. This was mainly from long-term borrowing from financial institutions increase of Baht 2,487.8 million in order for investment in associates and proceed from short-term borrowings from financial institutions amounted of Baht 1,248.0 million.

Key Financial Ratios

	Quarter 1	
	2023	2024
Gross Profit Margin (%)	14.3%	12.77%
Net Profit Margin (%)	4.7%	2.61%
Net Profit Margin (exclude extra items) (%)	5.58%	2.8%
Current Ratio (Times)	0.66	1.06
Liability to Equity (Times)	0.68	0.82
Liability to Equity (Times)* * Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements	0.55	0.68
Interest Bearing Debt to Equity (Times)	0.47	0.65
Interest Bearing Debt to Equity (Times)* Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements	0.34	0.51

Note:

Gross Margin	= Gross Profit / Rental income and revenue from rendering of services
Net Profit Margin	= Net profit attributable to owners of the Company / Total revenue
Current Ratio	= Current Asset / Current Liabilities
Liability to Equity (Times)	= Total Liabilities / Shareholder's Equity
Liability to Equity (Times)	= Total Liabilities excluding TFRS16 / Shareholder's Equity
Interest Bearing Debt to Equity (Times)	= Interest Bearing Debt / Shareholder's Equity
Interest Bearing Debt to Equity (Times)	= Interest Bearing Debt excluding TFRS16 / Shareholder's Equity

*Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements