

10th May 2024

Subject: Management Discussion and Analysis (MD&A) for the 1st Quarter ended 31st March 2024

Attention to: The President of Stock Exchange of Thailand

LEO Global Logistics Public Company Limited and its subsidiaries (the "Company") would like to inform its operating performance for the 1st Quarter ended 31st March 2024 as the following.

Highlight: The performance in Q1/2024, the company's total revenue was 348.2 MB, an increase of 5% compared to Q1/2023 but compared to Q4/2023 decrease 4%. By Sea Freight Service in Q1/2024, the income increased by 6% compared to Q1/2023 because of a lot more clients, transportation volume and freight rates have increased due to the critical situation in the Red Sea.

And the company still has significant income growth from the Integrated Logistics Service business such as land transportation, loading and unloading of goods, increased 24% when compared to Q1/2023. The customs clearance and other services grew by 36% compared to Q1/2023 due to the new providing rental services of temperature-controlled containers (Reefer Containers) including income from Self-storage service grew up 46% compared to Q1/2023 because of after Covid-19 situation, the customers in the SME segment who use the facility to store their stock and the customers who bring their personal items to store for home repairs or decoration back to use the service more. The company has also fully operated both 2 branches, on Rama 3 Road and in Chinatown. As a result, revenue has been consistently increasing.

The company is confident that in 2024, with the F.A.S.T.24 strategic plan, it will achieve continuous and robust growth in both gross profits and operating results during the Q2-Q4/2024. The company will recognize revenue from several new business units, including rail transportation to Laos and China as well as domestically, the Bonded Cold Chain Logistics Center at Saha Thai Port, and Self-Storage Project #3 at Rama 4 Road, which will commence operations in Q2/2024. Furthermore, there will be additional revenue recognition from other JV projects initiated in 2023, such as Leo Sourcing & Supply Chain, LaneXang Express, Logicam-Leo (Cambodia) and Srirang Leo Multimodal Logistics, there will be significant revenue growth starting from Q2/2024 onwards and this is in line with the company's strategic plan to increase revenue from Non-Freight and Non-Logistics businesses. to grow continuously over the next 1-2 years.

Summary of Financial Performance

Unit : Million Baht (MB)	2024	2023	2023	% Change	
	Q1	Q4	Q1	Q-o-Q	Y-o-Y
Revenues-Service and Other income	348.2	364.0	332.3	-4%	5%
Gross Profit (GP)	106.0	121.9	108.0	-13%	-2%
Gross Profit Margin (%)	31%	34%	33%		
Net Profit (NP) : Owners of the parent	10.4	29.4	19.0	-65%	-45%
Net Profit Margin (%)	3.0%	8.1%	5.7%		

In Q1/2024, The Company's total revenues were 348.2 MB increased 15.9 MB or 5% when compared to Q1/2023 but decreased 15.8 MB or 4% from Q4/2023. The Company's gross profit in Q1/2024 was 106.0 MB decreased by 2.0 MB or 2% from Q1/2023 when comparing Q4/2023 decreased 15.9 MB or 13% and gross profit margins were 31%, 34% and 33% respectively.

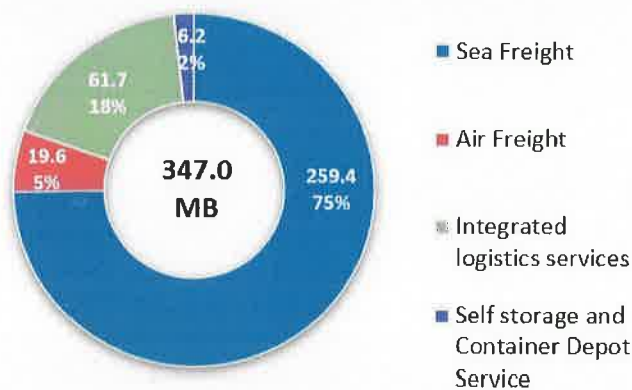
The Company's net profit (Owners of the parent) in Q1/2024 was 10.4 MB decrease of 8.6 MB or 45% from Q1/2023 when compared to Q4/2023 decreased by 19.0 MB or 65%. The company's net profit margin in Q1/2023 was at 3% but Q1/2023 was at 5.7 and Q4/2023 was at 8.1%. The reason for the decreased profit is because in the 1/2024 the company had to reserve for doubtful bad debts according to Thai Financial Reporting Standards of 4.0 MB. Additionally, there was a loss incurred from YJCD Company which operates the Container Depot still has sales

and operating results that are not as targeted. The company needs to recognize the operating loss of YJCD in the amount of 5.1 MB in Q1/2024. If these two items are excluded, the company's normal operating results in Q1/2024 would be comparable to those of Q1/2023, with a net profit (Owners of the parent) of 19.0 MB.

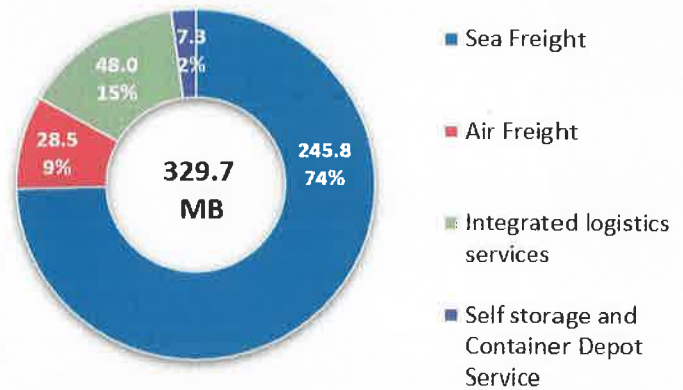
Service income and portion by segment.

Segment	2024	2023	2023	% Change		2024	Portion	2023	Portion
	Q1	Q4	Q1	Q-o-Q	Y-o-Y	3 Months	%	3 Months	%
1. Sea Freight	259.4	235.9	245.8	10%	6%	259.4	75%	245.8	74%
2. Air Freight	19.6	23.4	28.5	-16%	-31%	19.6	5%	28.5	9%
3. Integrated logistics services	61.7	95.4	48.0	-35%	28%	61.7	18%	48.0	15%
4. Self storage and Container Depot Service	6.2	5.8	7.3	7%	-15%	6.2	2%	7.3	2%
Total	347.0	360.5	329.7	-4%	5%	347.0	100%	329.7	100%

Revenue (MB)-Year 2024 (Jan-Mar)



Revenue (MB)-Year 2023 (Jan-Mar)



In Q1/2024, the service income was 347.0 MB, with 4 segments as the following.

- 1) Sea Freight service:** the company's revenues from sea freight was 259.4 MB or 75% of total service income.
- 2) Air Freight Services:** the company's revenues from air freight was 19.6 MB or 5% of total service income.
- 3) Integrated Logistics Services:** the income from these services including local transportation, customs clearance service, and others was 61.7 MB or equivalent to 18% of total service income.
- 4) Self Storage and Container Depot Services:** the income from these services including rental space services, container depot, and container repair services were 6.2 MB or about 2% of total service income.

Performance Analysis

1. Sea Freight Service

In Q1/2024, the income increased by 10% compared to Q4/2023 and increased by 6% when compared to Q1/2023 because of a lot more clients, transportation volume and freight rates have increased.

2. Air Freight Service

In Q1/2024, the income decreased by 16% compared to Q4/2023 due to a seasonal decline in exports. Additionally, when compared to Q1/2023, decrease 31% due to the company reducing charter flights according to a result of the rising number of passengers flights, this makes the need to organize charter flights unnecessary.

3. Integrated Logistics Services

3.1 Transportation Services

In Q1/2024, the income increased by 12% from Q4/2023 when compared to Q1/2023 increased by 24% because of much more volume from land transport is continually increasing.

3.2 Customs Clearance & Other Services

The income from customs clearance and other services in Q1/2024 decreased by 62% from Q4/2023 due to in this service category in Q4/2023 had extra work from Project Cargoes for plant relocation with significant revenue, by providing services for moving and packing the factory equipment for export, when compared to Q1/2023 increased by 36% due to the new service business for providing rental services of temperature-controlled containers (Reefer Containers).

4. Self-Storage and Container Depot Services

For businesses in this group, the total revenue in Q1/2024 was 6.2 MB increased by 7% from Q4/2023 but decreased by 15% from Q1/2023. These incomes are attributed to the continued growth of the Self-Storage business, while the container depot business experienced a decline as the following details:

4.1 Income from Self-storage service

In Q1/2024 was increased continuously when compared to Q4/2023 increased by 25% and increased 46% compared to Q1/2023 because of After Covid-19 situation, the customers in the SME segment who use the facility to store their stock and the customers who bring their personal items to store for home repairs or decoration back to use the service more. The company has also fully operated both 2 branches, on Rama 3 Road and in Chinatown. As a result, revenue has been consistently increasing.

4.2 Income from container depot service

In Q1/2024 was 20% decreased from Q4/2023 and decreased 57% from Q1/2023, because of the volume of containers sent to the yard and repair revenue were lower due to the need for improvement in container depot site#1, which could not maintain services to customers. Additionally, the newest container depot site #2 was just able to get main customers at the end of last year due to the process of registering YJCD#2 yard providing services, causing delays as customers needed to register in their system to access our services. The company expects to increase many more customers in Q2/2024 onwards.

Other income

Mainly income from dividends and interest as the following.

Other income	2024 (Jan-Mar)	2023 (Jan-Mar)	% Change
1.Dividend	449,573	1,149,194	-61%
2.Interest Income	447,747	1,204,731	-63%
3.Income from rental/service	88,788	61,114	45%
4.Other income	301,046	126,407	138%
Total	1,287,154	2,541,446	-49%

Selling and Administrative expenses

The selling and administrative expenses (SG&A) for Q1/2024 increased by 2% compared to Q4/2023 and increased by 2% compared to Q1/2023. The increase in expenses was due to adjusting sales incentives as sales increased and starting to recognize the depreciation of YJCD#2.

Financial Cost

The Company's financial costs in Q1/2024 decreased 18% from Q4/2023 and decreased 39% when compared to Q1/2023 which significantly changed from the redemption of bonds last year.

Net Profit

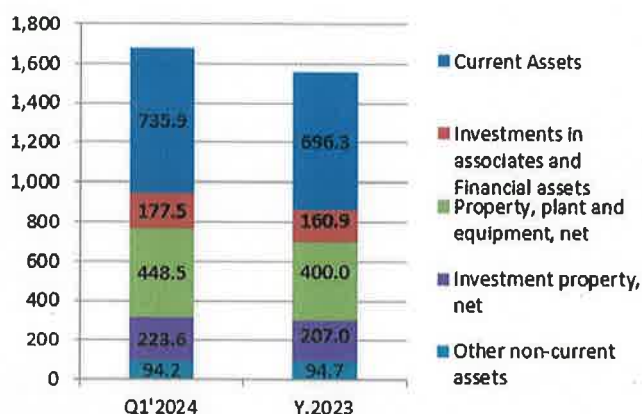
Net profit (Owners of the parent) in Q1/2024 was 10.4 MB, which decreased 19.0 MB or 65% compared to Q4/2023 and decreased 8.6 MB or 45% from Q1/2023 due to the decrease in gross profit and recognition of losses from subsidiaries and associated companies.

Financial Analysis

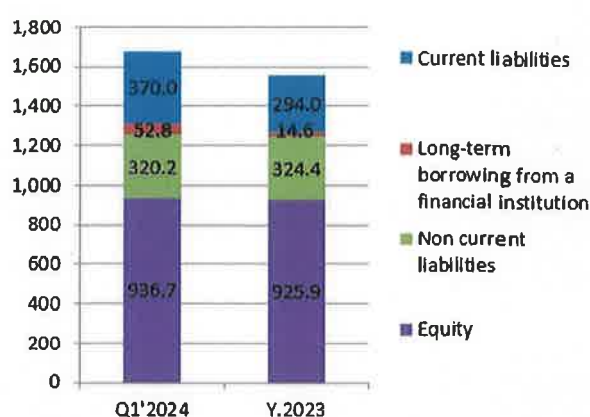
Unit: Million

Baht

Assets



Liabilities and Equity



Assets

As of 31st March 2024, the Company had total assets amount 1,679.7 MB increased 120.8 MB from 31st December 2023. Increasing in assets came from the current assets increasing by 39.6 MB, Cash and cash equivalent decreasing by 17.5 MB, other current financial assets decreasing by 33.8 MB, Trade and other receivables increasing by 92.1 MB, Derivative assets decreased by 1.7 MB, Other current assets increased 0.5 MB and Non-current assets were net increased 81.2 MB as details below.

- Investments in associated companies and long-term financial assets increased a total of 16.6 MB from additional investment in an associate of 12.2 MB, decrease from the recognition of share of loss from an associate of 2.0 MB and 6.4 MB increased from re-valuation of the financial assets measured at fair value through other comprehensive income.

- Property and equipment net increased by 48.5 MB from investment in the cold storage warehouse project of 55.3 MB and decrease from the amortization of the right to use YJCD#2 yard in the amount of 6.8 MB.

- Investment property net, increased 16.6 MB from the rental agreement for Self-Storage Project #3.

- Other non-current assets net decreased by 0.5 MB from receivables - revenue department decreased 0.2 MB, deferred tax assets increased 0.2 MB, intangible assets decreased 1.7 MB and other non-current assets increased 1.2 MB.

Liabilities

The Company has total liabilities as of 31st March 2024 amount 743.0 MB increased 110.0 MB from 31st December 2023 as the main items below.

- Bank overdrafts and short-term borrowings from financial institutions increased by 100.8 MB.

- Account payable increased by 14.0 MB.

- Corporate income tax payable increased by 0.6 MB.

- Other current liabilities increased by 1.6 MB due to an increase in derivative liabilities of 1.0 MB and increase in Value Added Tax payable of 0.6 MB.

- Other non-current liabilities decreased 7.0 MB from liabilities under lease contracts decreased 4.6 MB, employee benefit obligations increased 1.4 MB, and Long-term loans from financial institutions decreased 3.8 MB.

Equity

The Company had total shareholders' equity as of 31 March 2024 in the amount of 936.7 MB increase from as of 31 December 2023 in the amount of 10.8 MB, an increase from Profit during the year increased net of 10.4 MB Other component of equity increased 5.1 MB, but non-controlling interests net decreased of 4.7 MB, Minority.

Liquidity

Unit : Million Baht	For Q1/2024
Cash at the beginning of the period	99.4
Net cash flows from operating activities	-41.8
Net cash flows from investing activities	-57.3
Net cash flows from financing activities	85.3
Net increase in cash	-17.5
Cash at the end of the period	82.0

Cash flows from operating activities

The Company and subsidiaries used net cash for operating activities 41.8 MB in Q1/2024 which cash generated from net profit in this period 10.4 MB, account receivable increased 86.0 MB, used for other current assets 0.5 MB and non-current assets 1.0 MB, accounts payable decreased 11.4 MB and other current liabilities decreased 1.6 MB.

Cash flows from investing activities

Net cash flows used in investing activities for Q1/2024 in the amount of 57.3 MB from redemption of short-term investments and mutual funds, net 30.7 MB, invested in associated companies 12.3 MB, invested in the new project construction and purchase of assets used for normal operation totally 58.3 MB, invested in property Investments 18.1 MB.

Cash flows from financing activities

Net cash flows generated from financing activities for Q1/2024 in the amount of 85.3 MB, resulting from an increase in Short-term loans from financial institutions 100.8 MB, repayment of long-term loans for financial institutions of 3.8 MB, derivative liabilities decrease of 1.5 MB, payment of liabilities under the lease contracts of 9.4 MB and interest payment of 2.2 MB.

Financial Ratio

Financial Ratio	2024	2023
	31/03/2024	31/12/2023
Gross Profit Margin (%)	31%	34%
Net Profit Margin (%)	3.0%	6.1%
Current Ratio (Times)	2.0	2.4
Debt/Equity (Times)	0.8	0.7

Please be informed accordingly.



Best Regards,



Mr. Kettivit Sittisoontornwong
(Chief Executive Officer)
LEO Global Logistics Public Company Limited

THE SMART LOGISTICS SOLUTION

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