

November 14, 2024

Subject: Management Discussion and Analysis for the three-month period Ending September 30, 2024
Attention: Directors and Manager of the Stock Exchange of Thailand

Begistics Public Company Limited (the "Company") would like to submit the financial statements of the Company and its subsidiaries for the three-month period Ending September 30, 2024 and would like to submit the financial statements of the Company and its subsidiaries for the three-month period ending on September 30, 2024, with the Company's performance compared to the financial statements for the same period of the previous year, along with a summary of the key points of the performance, with details under the following headings:

1. Overview of business operations, economy and industry conditions affecting operations.

The Company is engaged in providing full-service logistics services, including cargo handling, road transportation, international freight forwarding, customs formalities, investment in alternative energy businesses, and distribution of carbon credit certificates.

The Company is currently engaged in logistics services using business partners with a large fleet of trucks and has invested in companies engaged in alternative energy businesses, which is the main direction of investment in Thailand and around the world. In addition, the company is studying and preparing to invest in other alternative energy businesses, such as wind power plants and battery management systems for the electric vehicle business in Thailand, which is growing rapidly, as well as distribution of carbon credit certificates, all of which are environmentally friendly energy businesses.

2. Summary of important events and developments.

The Company has significant events within the three-month period ending September 30, 2024 as follows:

2.1 Sale of common shares of Energy Innovation Power Company Limited.

The Board of Directors' Meeting No. 9/2024, convened on September 24, 2024, resolved to approve the sale of ordinary shares of Energy Innovation Power Co., Ltd., a subsidiary of The Megawatt Co., Ltd. (the "Subsidiary"), in the amount of 126,000 shares, with a par value of THB 174.60 per share, totaling 22,000,000 THB representing 60 percent of all issued and paid-up shares after the completion of such transaction, Energy Innovation Power Co., Ltd. will immediately cease to be a subsidiary of The Megawatt Co., Ltd.

3. Summary of operating results.

(Unit: Thousand baht)

Profit and loss statement	Compared to the same quarter of the previous year				Compared to the previous quarter			
	Q3/2024	Q3/2023	Increase (decrease)	%	Q3/2024	Q2/2024	Increase (decrease)	%
Service income	12,640	11,943	976	5.84	12,640	17,128	(4,488)	-26.20
Construction income	5,894	19,675	(13,781)	-70.04	5,894	8,009	(2,115)	-26.41
Electricity sales income	53,444	32,974	20,470	62.08	53,444	63,442	(9,998)	-15.76
Raw water sales income	3,820	4,355	(535)	-12.28	3,820	2,347	1,473	62.76
Other income	41,911	29,049	12,862	44.28	41,911	22,497	19,414	86.30
Total income	117,709	97,996	19,713	20.12	117,709	113,423	4,286	3.78
Service Expenses	45,916	48,925	(3,009)	-6.15	45,916	201,482	(155,566)	-77.21
Doubtful Debt	-	-	-	-	-	-	-	-
Selling and Administrative Expenses	13,081	4,452	8,629	193.82	13,081	43,618	(30,537)	-70.01
Financial Costs	14,437	6,864	7,573	110.33	14,437	14,067	370	2.63
Total Expenses	73,434	60,241	13,193	21.90	73,434	259,167	(185,733)	71.67
Share of profit (loss) from investment in associates	(30)	1,129	(1,159)	-102.66	(30)	(688)	658	-95.64
Profit (loss) before income tax	44,245	38,884	5,361	13.79	44,245	(146,432)	190,677	-130.22
(Expense) Income tax	(1,288)	(875)	(413)	47.20	(1,288)	18,276	(19,564)	-107.05
Net profit (loss)	42,957	38,009	4,948	13.02	42,957	(128,156)	171,113	-133.52

Income

The Company had total revenue for the three-month periods ending September 30, 2024 and 2023 of 117.71 million baht and 79.99 million baht, respectively, which increased by 19.71 million baht or 20.12 percent from 2023 because the three-month period ending September 30 had revenue from services of 12.64 million baht, an increase of 0.69 million baht or 5.84 percent from the same period of the previous year, including revenue from electricity sales that increased for the three-month period ending September 30, 2023 by 53.44 million baht, an increase of 20.47 million baht or 62.08 percent from the same period of the previous year.

And other revenue for the three-month period ending September 30, 2024 was 41.91 million baht, which increased more than other revenue for the three-month period. Ending on September 30, 2023, the amount of 12.86 million baht, or 44.28 percent, with a profit from the sale of fixed assets of 17.95 million baht and a profit from the sale of investments in associated companies of 14.02 million baht, which in the three-month period ending on September 30, 2023, there was no such income.

When comparing total income with the previous quarter, the Company had total income for the three-month period ending on June 30, 2024 of 117.71 million baht, an increase of 4.28 million baht, or 3.78 percent, due mainly to other income that increased from a profit from the sale of fixed assets of 17.95 million baht and a profit from the sale of investments in associated companies of 14.02 million baht, which in the three-month period ending on June 30, 2024, there was no such income.

Expenses

The Company had total expenses for the three-month periods ending September 30, 2024 and 2023 of 73.43 million baht and 60.24 million baht, respectively, an increase of 13.19 million baht or 21.90 percent because the three-month period ending September 30, 2024 had selling and administrative expenses of 13.08 million baht, an increase of 8.62 million baht or 193.82 percent, while the three-month period ending September 30, 2023 had lower expenses because on May 31, 2023, the Company sold Beyond Capital Co., Ltd. (a subsidiary), resulting in lower administrative expenses and an increase in financial costs of 7.53 million baht.

When comparing total expenses with the previous quarter, the Company had total expenses for the three-month period Ending on June 30, 2024 and 2024, equal to 73.43 million baht and 289.16 million baht, respectively, a decrease of 185.73 million baht or 71.67 percent.

Compared to the three-month period ending on June 30, 2024, most of the expenses decreased because the three-month period ending on June 30, 2024 had a loss from asset impairment of 60.85 million baht (the company recognized the difference in the net selling price from the repair costs that would occur, which was lower than the book value of the assets as a loss from asset impairment) and a loss from intangible asset impairment of 81.68 million baht (the company recorded an impairment of the investment in Thepparitha Company Limited). The three-month period ending on September 30, 2024 classified the reversal of asset impairment of 60.06 million baht and a loss from the sale of assets of 26.16 million baht.

Net profit

For the three-month period ending September 30, 2024, the Company had a net profit of 42.95 million baht, an increase of 4.94 million baht or 13.02 percent from the three-month period ending September 30, 2023. Part of this came from other income for the three-month period ending September 30, 2024, which was 41.91 million baht, an increase of 12.86 million baht or 44.28 percent from other income for the three-month period ending September 30, 2023. There was a profit from the sale of fixed assets of 17.95 million baht and a profit from the sale of investments in associates of 14.02 million baht, which did not have such income in the three-month period ending September 30, 2023.

When comparing net profit with the previous quarter, the company had a net profit for the three-month period ending June 30, 2024 of 42.95 million baht, an increase of 171.11 million baht.

4. Summary of financial status

(Unit: Thousand baht)

Financial Statement	Compared to last year				Compared to the previous quarter			
	Q3/2024	Y 2023	Increase (decrease)	%	Q3/2024	Q2/2024	Increase (decrease)	%
Current assets	1,649,933	1,425,814	224,119	15.72	1,649,933	1,461,778	188,155	12.87
Non-current assets	4,744,646	5,377,988	(663,342)	-11.78	4,744,646	4,985,771	(241,125)	-4.84
Total assets	6,394,579	6,803,802	(409,223)	-6.01	6,394,579	6,447,549	(52,970)	-0.82
Current liabilities	561,121	720,838	(159,717)	-22.16	561,121	533,570	27,551	5.16
Non-current liabilities	1,582,893	1,719,381	(136,488)	-7.94	1,582,893	1,643,232	(60,339)	-3.67
Total liabilities	2,144,014	2,440,219	(296,205)	-12.14	2,144,014	2,176,802	(32,788)	-1.51
Shareholders' Equity	4,250,565	4,363,583	(113,018)	-2.59	4,250,565	4,270,747	(20,182)	-0.47
Total liabilities and shareholders' equity	6,394,579	6,803,802	(409,223)	-6.01	6,394,579	6,447,549	(52,970)	-0.82

Asset

The Company has total assets for the three-month period ending September 30, 2024 of 6,394.58 million baht, a decrease of 409.22 million baht or 6.01 percent from the previous year.

Current assets increased by 224.12 million baht from the previous year, or 15.72 percent, with the majority of the increase being cash and cash equivalents, which increased by 45.73 million baht, including receivables from investment deposits and short-term loans, which increased by 417.54 million baht.

Non-current assets decreased by 663.34 million baht from the previous year, or 11.78 percent, mainly from advance payment for investment, which decreased by 274.16 million baht, including long-term loans and interest receivable to other businesses, which decreased by 116.89 million baht. Land, buildings and equipment - net decreased by 218.95 million baht (mostly from the sale of towing trucks and semi-trailers by Begistics Public Company Limited, including the sale of solar cell systems by Solar I-Gen Company Limited and Energy Innovation Power Company Limited, both of which are indirect subsidiaries).

When comparing total assets with the previous quarter, the Company had total assets for the three-month period ending June 30, 2024 of 6,394.58 million baht, a decrease of 52.97 million baht or 0.82 percent. Current assets increased by 188.15 million baht from the same quarter of the previous year, or 12.87 percent, with the majority of the increase being investment deposits and short-term loans, which increased by 417.54 million baht, while short-term loans and interest receivables to other businesses decreased by 195.41 million baht.

Non-current assets decreased by 241.12 million baht from the same quarter of the previous year, or 4.84 percent, mostly from advance payment for investment, which decreased by 274.16 million baht. Land, buildings and equipment - net decreased by 144.77 million baht (mostly from the sale of towing trucks and semi-trailers of Begistics Public Company Limited, including the sale of solar cell systems of Solar Igen Company Limited and Energy Innovation Power Company Limited, both of which are indirect subsidiaries). Other non-current financial assets increased by 218.56 baht, from the investment in West Tech Exponential Company Limited, which is 4.28 percent of the total number of shares.

Debt

The Company has total liabilities for the three-month period ending September 30, 2024 of 2,144.01 million baht, a decrease of 296.20 million baht or 12.14 percent from the previous year. This is due to a decrease in short-term loans and accrued interest - other businesses of 109.76 million baht, as well as a decrease in long-term loans from financial institutions of 167.92 million baht.

When compared to total liabilities from the previous quarter, the Company has total liabilities for the three-month period ending June 30, 2024 of 2,144.01 million baht, a decrease of 32.78 million baht or 1.51 percent, due to a decrease in long-term loans from financial institutions of 76.92 million baht, but an increase in payables for shares of investment in West Tech Exponential Co., Ltd. of 77.58 million baht.

Shareholders' equity

The Company had shareholders' equity for the three months ended September 30, 2024 of 4,250.56 million baht, a decrease of 113.01 million baht or 2.59 percent from 2024 ended December 31, 2024, mainly due to the Company's retained earnings decreasing by 88.95 million baht.

Comparing shareholders' equity with the previous quarter, the Company had shareholders' equity for the three months ended June 30, 2024 of 4,250.56 million baht, a decrease of 20.18 million baht or 0.47 percent, mainly due to the Company's retained earnings increasing by 29.21 million baht, while other components of shareholders' equity and non-controlling interests decreased by 49.39 million baht.

5. Factors that may affect future operations or growth.

The Company is aware of this impact by the service contract with its business partners which clearly states the change in service fee depending on the oil price, which helps reduce the impact from oil price fluctuation to some extent.

The weather change factor, the alternative energy power plant business of the Company in the business group uses solar cells as the equipment for generating electricity. If the weather in the area where the alternative energy power plant is located is cloudy or has prolonged rain, it may affect the alternative energy power distribution business.

The factor of exchange rate fluctuation is difficult to predict because there are various factors involved that affect the exchange rate, including the fundamental economic factors in the country, monetary and fiscal policies, the state of the world economy, forecasting and speculation, and political stability in the country and abroad. The exchange rate fluctuation that occurs causes risks to the business sector, especially businesses that import and export.

To reduce the risk of such exchange rate fluctuation, the Company uses a fixed exchange rate.

6. Sustainable development.

The Company operates its business under the guidelines of sustainable development under the principles of good corporate governance. The Company takes into account all stakeholders. The Company has a plan to reduce greenhouse gases and prioritizes the impact on the environment. The Company has an investment plan in alternative energy power plants and Green Utility businesses, such as the study project on water and electricity development to increase carbon credits, etc.

From January 1, 2024 to September 30, 2024, the Company was able to reduce greenhouse gas emissions by 331,545.35 KgCO₂e, equivalent to planting 36,838 10-year-old large trees (referring to the Care the Bare project in which the Company is a member) from the Company's activities, including organizing meetings of the Board of Directors, meetings of subcommittees, various meetings of the Company, and various trainings via electronic media channels. This includes allowing the Company's shareholders to download documents from the invitation letter to the 2024 Annual General Meeting of Shareholders, download documents from the 2023 Annual Information Form (Form 56-1 One Report) ending on December 31, 2023, download documents from the 2023 Annual Information Form/Annual Report (Structured Data Report), and download information documents regarding investments in Wastech Exponential Company Limited (Account 1 and Account 2).

Please be informed accordingly.

Sincerely Yours,



(Mr. Panya Boonyapiwat)
Chairman of the Executive Committee