Management Discussion and Analysis for the Quarter 2/2026 ended 30 June 2026

Economic Overview:

The Thai economy in the second quarter of 2026 continued to face uncertainties arising from geopolitical developments, particularly the ongoing conflict in the Middle East, which exerted pressure on energy costs, transportation expenses, and global supply chains. Nevertheless, the export sector remained a key driver of economic activity. During the first six months of 2026, Thailand's exports expanded by 17.6% year-on-year, primarily supported by industrial products, particularly electronics, computers, and technology-related products.

Looking ahead, the Thai economy remains exposed to uncertainties surrounding global economic conditions and international trade. The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB), comprising the Thai Chamber of Commerce, the Federation of Thai Industries, and the Thai Bankers' Association, projects Thailand's economic growth for 2026 at 1.6–2.0%. The export sector is expected to continue playing an important role in supporting economic growth in the period ahead.

Logistics and Maritime Transportation Industry

The maritime transportation industry improved significantly in the second quarter of 2026. The Shanghai Containerized Freight Index (SCFI), which reflects container freight rate levels, increased from 1,826 points as of March 27, 2026, to 3,239 points as of June 26, 2026, representing an increase of approximately 77%. The increase was primarily driven by higher demand for cargo transportation, accelerated imports by U.S. importers ahead of anticipated increases in transportation costs and the implementation of U.S. tariff measures, as well as higher fuel costs resulting from the ongoing conflict in the Middle East.

For the Company, which operates a freight forwarding business, the increase in freight rates affected both revenue and costs. The Company was able to partially adjust its service rates in line with prevailing market conditions, while continuing to manage freight costs paid to shipping lines and maintain an appropriate service margin. Accordingly, the net impact on the Company's operating performance depends primarily on shipment volume, the Company's ability to adjust service rates in response to market conditions, and its effectiveness in managing freight costs and service margins.

Key Factors and Events That May Affect Future Operations

Management has monitored and assessed key factors and developments both during and subsequent to the end of the second quarter of 2026 that may affect the Group's operations, financial position, and business outlook. The key matters are geopolitical Conflict in the Middle East

The ongoing conflict involving Iran, the United States, and Israel remains a significant risk factor for international trade and transportation, particularly due to restrictions on navigation through the Strait of

Hormuz, a key route for global energy transportation. The situation has resulted in volatility in fuel costs, insurance premiums, and transportation costs, while increasing uncertainty across international supply chains. Although vessels were able to transit the Strait during certain periods in June, shipping traffic remained significantly below normal levels, and the situation has yet to return to normal.

Management continues to closely monitor developments in the conflict and shipping conditions in the Strait of Hormuz and assess their potential impact on transportation routes, operating costs, and supply chains. This enables the Group to adjust its operational plans and manage related risks appropriately and in a timely manner.

Procurement, Consulting, and Public and Private Sector Project Services

In recent periods, the Company has expanded and diversified its business into procurement, consulting, and project services for public and private sector clients through Golden Supply Co., Ltd., a wholly owned subsidiary of the Company. The business leverages the Group's expertise in logistics, supply chain management, international transportation, and project coordination.

This business expansion is intended to diversify the Group's revenue sources and extend its capabilities into higher value-added businesses through collaboration with international partners. The business has begun generating revenue for the Group from significant public and private sector projects, including the following:

1. **Military Capability Development Project**

The project is a collaboration between Golden Supply Co., Ltd. and Navantia, a Spanish state-owned shipbuilding company. Under the project, the Company is responsible for managing and supporting project implementation in Thailand, including the provision of engineering personnel, coordination with relevant authorities and stakeholders, as well as logistics and supply chain support.

2. **Procurement and Installation of a Fixed Air Surveillance Radar System**

The project is a collaboration between Golden Supply Co., Ltd. and Indra Sistemas, S.A. (INDRA), a Spanish defense technology company. Under the project, the Company is responsible for providing consulting services, product procurement, and system maintenance services.

The expansion into these businesses enhances the diversification of the Group's revenue sources and demonstrates its capability to leverage its logistics expertise to expand into higher value-added businesses through collaboration with international partners. This is expected to support the expansion of the Group's revenue base and create opportunities for sustainable long-term growth.

Projects and Business Opportunities Under Consideration

The subsidiary is currently studying and pursuing opportunities to participate in both large- and small-scale public and private sector projects. These activities include preparing and submitting proposals directly to government agencies and private sector entities, collaborating with domestic and international partners and business networks, as well as providing consulting, coordination, and support services to partners participating in such projects.

These potential projects are currently at various stages, including feasibility assessment, proposal preparation, bidding, or partnership negotiations, as applicable. Accordingly, there remains uncertainty as to whether the projects will be awarded or successfully secured, as the outcome is subject to the specific terms, requirements, and evaluation processes of each project.

The overview on company performance

Statement of Profit or Loss (Million Baht)	Quarter 2/2025	Quarter 1/2026	Quarter 2/2026	%YOY	%QOQ	6 Month 2025	6 Month 2026	%YOY
Revenue								
Revenue from services	149.5	103.1	57.9	-61.3	-43.8	282.9	160.9	-43.1
Revenue from sales	41.0	-	-	-100.0	-	41.0	-	-100.0
Other income	0.3	1.1	1.7	466.67	-	2.1	2.7	28.8
Total revenues	**190.7**	**104.2**	**59.6**	**-68.7**	**-43.4**	**326.0**	**163.6**	**-49.8**
Expenses								
Cost of services	(120.8)	(77.4)	(47.4)	-60.8	-39.2	(244.8)	(124.8)	-49.0
Cost of sales	(22.3)	-	-	-100.0	-	(22.3)	-	-100.0
Selling and distribution expenses	(9.3)	(3.7)	(5.1)	-45.2	37.5	(20.1)	(8.9)	2.3
Administrative expenses	(29.6)	(32.0)	(34.4)	-16.2	8.4	(63.2)	(66.0)	-4.4
Total expenses	**(182.0)**	**(113.1)**	**(86.9)**	**-52.3**	**-23.9**	**(350.5)**	**(199.7)**	**-43.0**
Net Profit (Loss) from operating activities	**8.7**	**(8.9)**	**(27.3)**	**-413.8**	**-204.5**	**(24.5)**	**(36.5)**	**-49.0**
Other expenses	-	(1.2)	-	100.0	-83.3	-	(1.0)	100.0
Loss on impairment of assets	-	(1.3)	(1.7)	100.0	30.8	-	(3.5)	100.0
Finance income	0.9	1.6	-	-100.0	-100.0	1.4	1.7	21.4
Finance costs	(8.4)	(3.6)	(4.5)	-46.4	25.0	(14.4)	(8.1)	-43.8
Net Profit (Loss) before finance cost and income tax expense	**1.2**	**(13.4)**	**(33.5)**	**-2,891.7**	**-150.0**	**(37.5)**	**(47.0)**	**25.3**
Income Tax Expense	1.0	(1.7)	2.7	170.0	258.8	16.2	1.0	-93.8
Net Profit (Loss) for the Period	**2.2**	**(15.1)**	**(30.8)**	**-1,500.0**	**-103.9**	**(21.3)**	**(46.0)**	**-116.0**
Non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-
Equity attributable to Owners of the Parent	**2.2**	**(15.1)**	**(30.8)**	**-1,500.0**	**-103.9**	**(21.3)**	**(46.0)**	**-116.0**
Other comprehensive income (loss)								
Exchange differences on translation of financial statements in foreign currency	1.9	(1.7)	(0.8)	142.1	-52.9	3.2	(2.5)	-178.1
Gain on revaluation of land - net	-	16.2	-	-	100	-	16.2	100.0
Total comprehensive income (loss) for the period	**4.1**	**(0.6)**	**(31.6)**	**-870.7**	**-5,166.67**	**(18.1)**	**(32.3)**	**-78.5**

Based on the consolidated financial statements for the six-month period ended June 30, 2026, the Group recorded total revenue of THB 163.6 million, representing a decrease of 49.8% compared with the same period of the previous year. The decrease was primarily attributable to the following: (1) Revenue from the logistics segment decreased by THB 164.1 million, mainly due to economic conditions and geopolitical conflicts in the Middle East, which intensified competition within the industry, reduced customer demand for services, and increased service costs. In response, the Group restructured the operations of its logistics segment by rightsizing its workforce to align with the current business volume, with the objective of improving cost and expense management efficiency. (2) Revenue from the contract service segment decreased by THB 4.95 million, as deliveries from suppliers and certification of project progress during the period were lower than in the previous period, resulting in lower revenue recognition based on the progress of work. Nevertheless, project implementation remains ongoing. Revenue recognition in subsequent periods will depend on project progress, deliveries, and work certification in accordance with the terms and conditions of each project.

Total expenses amounted to THB 200.1 million, representing a decrease of THB 150.4 million, or 42.9%, compared with the same period of the previous year, primarily due to the following:

(1) Cost of services decreased by THB 120.0 million, or 49.0%, primarily due to a decrease of THB 148.84 million in costs associated with the logistics segment, in line with the decline in revenue from the segment. The decrease also reflected the restructuring of the logistics operations to align with the current business volume and improve cost management efficiency. Meanwhile, costs associated with the contract service segment increased by THB 1.7 million despite the decrease in revenue, as projects for which revenue was recognized during the current period generated a lower gross profit margin compared with the same period of the previous year. In addition, the Group continued to incur costs associated with ongoing project implementation, resulting in a lower gross profit margin for the segment.

(2) Selling and distribution expenses decreased by THB 11.2 million, or 2.3%, compared with the same period of the previous year, primarily due to lower sales personnel expenses, promotional expenses, and commissions, in line with the decline in revenue from the logistics segment.

(3) Administrative expenses increased by THB 3.2 million, or 5.1%, compared with the same period of the previous year, primarily due to higher personnel expenses incurred by subsidiaries in the contract service segment to support business expansion, as well as expenses related to the exploration and preparation of new projects. Nevertheless, the Group continues to implement measures to enhance management efficiency and maintain effective control over other expenses.

For the six-month period ended June 30, 2026, the Group recorded a net loss of THB 46.0 million, representing an increase in net loss of THB 24.7 million compared with a net loss of THB 21.3 million in the same period of the previous year. The increase in net loss was primarily attributable to lower gross profit from the logistics segment, resulting from the decline in revenue and intensified industry competition, together with slower revenue recognition from the contract service segment, while the Group continued to incur costs and expenses associated with ongoing project implementation.

For the six-month period ended June 30, 2026, the Company recorded a net loss of THB 139.1 million, representing an increase in net loss of THB 111.4 million compared with the same period of the previous year. The increase was primarily attributable to the following:

(1) Gross profit from the logistics segment decreased by THB 19.0 million as a result of the restructuring of operations to align with the current business volume, including the transfer of certain personnel and operations to subsidiaries. Consequently, revenue and gross profit recognized in the Company's separate financial statements decreased.

(2) The Company recognized an impairment loss of THB 88.1 million on its investment in its Singapore subsidiary, NCL Inter Logistics (S) Pte. Ltd., following the subsidiary's continued deterioration in operating performance. In addition, management is in the process of rightsizing the Group's overseas logistics operations to align with the current business volume and improve the Group's cost management efficiency.

(3) The Company recognized an additional provision for litigation of THB 18.7 million in connection with a claim against the Company for rental payments under a container lease agreement entered into by a subsidiary.

Financial Position (Million Baht)	As at the end of the period 31 December 2025	As at the end of the period 30 June 2025	Change (Million Baht)
Cash and Cash equivalents	7.5	4.4	(3.1)
Trade and other current receivables	96.5	89.6	(6.9)
Contract assets	85.3	91.4	6.1
Receivables from disposal of investments due within one year	23.4	-	(23.4)
Work in progress	4.1	10.5	6.4
Current income tax assets	5.6	1.9	(3.7)
Other current assets	9.2	9.1	(0.1)
Total current assets	**231.6**	**206.9**	**(24.7)**
Restricted bank deposits	0.5	0.5	-
Investment properties	7.5	7.4	(0.10)
Land, buildings and equipment	154.6	165.6	11.0
Right-of-use assets	40.5	27.4	(13.1)
Intangible assets	13.9	14.1	0.2
Goodwill	43.4	43.4	-
Deferred tax assets	100.5	96.9	(3.6)
Withholding Tax	-	5.6	5.6
Other non-current assets	1.6	1.2	(0.4)
Total non-current assets	**362.5**	**362.1**	**(0.4)**
Total assets	**594.1**	**569.0**	**(25.1)**
Factoring payable	1.5	0.7	(0.8)
Defaulted liabilities	215.8	221.4	5.6
Trade and other current payables	158.1	175.1	17.0
Contract liabilities	9.6	4.3	(5.3)
Short-term borrowings	6.0	3.3	(2.7)
Current portion of liabilities due within one year	35.5	18.8	(16.7)
Other current liabilities	14.2	13.5	(0.7)
Total current liabilities	**440.7**	**437.1**	**(3.6)**
Long-term borrowings	32.9	42.5	9.6
Lease liabilities	21.8	16.8	(5.0)
Provision for litigation liabilities	54.8	54.8	
Other non-current liabilities	12.2	11.4	(0.8)
Total current liabilities	**121.7**	**125.5**	**3.8**
Total liabilities	**562.4**	**562.6**	**0.2**
Total equity	**30.9**	**5.7**	**(25.2)**
Non-controlling interests	**0.8**	**0.8**	**-**
Total liabilities and equity	**594.1**	**569.0**	**(25.1)**

Financial Position

the consolidated financial statements as of June 30, 2026, the Group had total assets of THB 569.0 million, representing a decrease of THB 25.2 million, or 4.2%, compared with the end of 2025. The decrease was primarily attributable to the following: (1) Trade and other receivables decreased by THB 7.0 million, in line with the decline in revenue from the logistics segment and receivables not yet due from the defense business segment. (2) Receivables from the disposal of investments due within one year decreased by THB 23.4 million, as the outstanding amount was fully collected during the quarter. (3) Work in progress increased by THB 6.4 million, primarily attributable to project costs incurred by the contract service segment for which the related project revenue had not yet met the criteria for revenue recognition. (4) Property, plant and equipment increased by THB 11.0 million, mainly due to a change in the accounting policy for the subsequent measurement of land from the cost model to the revaluation model. As a result, a land revaluation surplus of THB 20.3 million was recognized to reflect the current fair value of the land, as appraised by an independent valuer.

Total liabilities of THB 562.6 million, representing an increase of THB 0.13 million, primarily attributable to the following: (1) Liabilities in default increased by THB 5.6 million due to the recognition of accrued interest during the period. (2) Trade and other payables increased by THB 17.1 million, in line with increased business activities and revenue. (3) Lease liabilities decreased by THB 10.5 million as a result of payments made in accordance with the terms of lease agreements and the gradual return of right-of-use assets.

As of the end of the period, the Group's shareholders' equity amounted to THB 5.7 million, representing a decrease of THB 25.3 million, or 81.9%, compared with the end of 2025. The decrease was primarily attributable to the net loss of THB 46.0 million for the period. During the period, however, the Group recognized a land revaluation surplus, net of deferred income tax, of THB 16.2 million and an increase in ordinary share capital of THB 7.0 million.