Euroasia Total Logistics Public Company Limited

Management Discussion and Analysis

For the three-month and nine-month periods ended 30 September 2026

(1) Business Overview



Euroasia Total Logistics Public Company Limited *(symbol: ETL)* specializes in cross-border road transport between China and Southeast Asia and has expanded its services to Europe through multimodal transport. Drawing on its team's more than 10 years of industry experience, the Company provides fast, flexible and efficient transport services that support customers' business expansion and respond to evolving shipping requirements. By combining the effective use of resources with technological innovation and professional service, the Company seeks to enhance customer value on a continuous and sustainable basis.

Analysis and Explanation

Euroasia Total Logistics Public Company Limited (“ETL”) reported service revenue of Baht 589.4 million, gross profit of Baht 61.7 million and net profit attributable to owners of the Company of Baht 31.5 million for Q3 2026.

(2) Summary of Significant Events and Developments

In Q3 2026, transport volume remained high at an average of 2,000 trips per month, primarily on routes from China to Southeast Asia. Although the energy crisis persisted from Q1 and Q2, resulting in freight rate increases of 20% to 30%, ETL's gross profit margin recovered from 1.6% in Q1 to 4.5% in Q2 and 10% in Q3 2026. The Group consequently returned to profitability for the first time in 2026, reporting a profit of Baht 31.5 million in Q3 and Baht 4.8 million for the nine-month period ended 30 September 2026.

During Q2 and Q3 2026, the Company's subsidiary in China invested in a new Chinese subsidiary with registered capital of CNY 2 million to support the Group's business expansion. The investment was funded by the Group's working capital and paid in two installments of CNY 1 million each, on 16 April 2026 and 30 July 2026.

The Company appointed Mr. Dhanes Mekintharanggur as Chief Executive Officer, succeeding Mr. Pornchai Daungkeowuttikri, effective 1 July 2026.

(3) Operating Results and Financial Position

3.1Operating Performance

The Group returned to a net profit of Baht 31.55 million in Q3 2026, following net losses of Baht 13.17 million in Q1 and Baht 13.51 million in Q2. As a result, net profit for the first nine months of 2026 amounted to Baht 4.87 million.

The recovery was primarily driven by service rate adjustments to reflect higher transport costs, together with effective management of transport costs, selling and administrative expenses, and finance costs. Foreign exchange risk management also helped mitigate earnings volatility and supported the recovery in quarterly net profit.

Summary of the Group's operating results for Q3 2026 compared with Q3 2025 and Q2 2026

Consolidated statements of comprehensive income (Unit: Baht million)	Q32025	Q22026	Q32026	YoY Increase (decrease)		QoQ Increase (decrease)	
Service revenue	462.9	565.2	589.4	126.5	27%	24.2	4%
Cost of services	(435.8)	(539.8)	(527.7)	91.9	21%	(12.1)	(2%)
Gross profit	27.1	25.4	61.7	34.6	128%	36.3	143%
Other income	2.0	0.2	9.6	7.6	380%	9.4	4700%
Selling expenses	(1.7)	(2.9)	(2.7)	1.0	59%	(0.2)	(7%)
Administrative expenses	(30.4)	(39.3)	(34.5)	4.1	13%	(4.8)	(12%)
Reversal of (loss from) expected credit losses	2.3	-	-	(2.3)	(100%)	-	-
Net foreign exchange gain (loss)	4.0	5.2	6.8	2.8	70%	1.6	31%
Profit before finance costs and income tax	3.3	(11.4)	40.9	37.6	1139%	52.3	(459%)
Finance costs	(1.8)	(1.2)	(1.1)	(0.7)	(39%)	(0.1)	(8%)
Income tax	5.5	(3.7)	(8.0)	13.5	245%	4.3	116%
Net profit (loss)	7.0	(16.3)	31.8	24.8	354%	48.1	(295%)
Profit attributable to							
Equity holders of the Company	11.0	(13.5)	31.5	20.5	186%	45.0	333%
Non-controlling interests	(4.0)	(2.9)	0.2	4.2	105%	3.1	107%
Gross profit margin	5.85%	4.49%	10.47%	4.61%	78.81%	5.97%	132.94%
Net profit (loss) margin	1.51%	(2.88%)	5.40%	3.88%	256.78%	8.28%	(287.08%)

Summary of the Group's operating results for the nine-month periods ended 30 September 2026 and 2025

Consolidated statements of comprehensive income (Unit: Baht million)	9-month period		YoY	
	2025	2026	Increase (decrease)	
Service revenue	1,318.5	1,672.4	353.9	27%
Cost of services	(1,204.0)	(1,577.2)	373.2	31%
Gross profit	**114.5**	**95.2**	**(19.3)**	**(17%)**
Other income	17.6	10.5	(7.1)	(40%)
Selling expenses	(4.0)	(8.2)	4.2	105%
Administrative expenses	(86.4)	(100.8)	14.4	17%
Reversal of (loss from) expected credit losses	2.3	-	(2.3)	(100%)
Net foreign exchange gain (loss)	(3.0)	16.5	19.5	(650%)
Profit before finance costs and income tax	**41.0**	**13.2**	**(27.8)**	**(68%)**
Finance costs	(5.6)	(3.6)	(2.0)	(36%)
Income tax expense	(2.5)	(11.4)	8.9	356%
Net profit (loss)	**32.9**	**(1.8)**	**(34.7)**	**(105%)**
Profit attributable to				
Equity holders of the Company	45.9	4.8	(41.1)	(90%)
Non-controlling interests	(13.0)	(6.7)	6.3	48%
Gross profit margin	**8.68%**	**5.69%**	**(2.99%)**	**(34%)**
Net profit margin	**2.50%**	**(0.11%)**	**(2.60%)**	**(104%)**

Service revenue

Q3 2026 vs Q2 2026

In Q3 2026, the Group's service revenue increased by Baht 24.2 million, or 4%, despite an 8% decline in the number of transport trips. Growth was supported by a greater proportion of higher-value shipments, particularly long-distance shipments between China and Malaysia and Singapore, as well as increased transport volume to Central Asia.

The Group also negotiated service rate adjustments with customers more effectively to reflect higher transport costs arising from increased fuel prices. This raised average revenue per trip and offset the impact of lower trip volume.

Q3 2026 vs Q3 2025

In Q3 2026, service revenue increased by Baht 126.5 million, or27%, despite an 8% decline in the number of transport trips. The Group's fuel costs increased by as much as 36% in 2026.

The Group adjusted service rates to reflect higher fuel costs, increasing average revenue per trip and offsetting the impact of lower trip volume.

YTD'2026 vs YTD'2025

For the nine-month period ended 30 September 2026, service revenue increased by Baht 353.9 million, or27%, despite a 4% decline in the number of transport trips. This reflected service rate adjustments to pass on fuel costs, which increased by as much as 36% in 2026.

Gross profit and gross profit margin

Q3 2026 vs Q2 2026

In Q3 2026, gross profit increased by Baht 36.3 million, or143%, compared with Q2 2026. This was primarily attributable to the recovery of higher fuel costs through service revenue, including revenue recognized in Q3 for transport services provided in Q1 and Q2 2026. More efficient trip planning and fewer empty trips also contributed to the improvement. Gross profit margin increased by 5.97 percentage points (Q3 2026: 10.47%; Q2 2026: 4.49%).

Q3 2026 vs Q3 2025

In Q3 2026, gross profit increased by Baht 34.6 million, or128%, compared with Q3 2025. This was primarily attributable to the recovery of higher fuel costs through service revenue, including revenue recognized in Q3 for transport services provided in Q1 and Q2 2026. More efficient trip planning and fewer empty trips also contributed to the improvement. Gross profit margin increased by 4.61 percentage points (Q3 2026: 10.47%; Q3 2025: 5.85%).

YTD'2026 vs YTD'2025

For the nine-month period ended 30 September 2026, gross profit decreased by Baht 19.3 million, or 17%, and gross profit margin declined by 2.99 percentage points. Fuel costs rose by 36% in 2026, while the Group was unable to fully pass these increases on to customers during Q1 and Q2. Nevertheless, service rate adjustments, improved trip planning and fewer empty trips helped limit the decline in gross profit.

Other income

Q3 2026 vs Q2 2026

In Q3 2026, the Group recognized Baht 8.4 million in compensation for customers' late payments, resulting in a significant increase in other income compared with Q2 2026.

Q3 2026 vs Q3 2025

In Q3 2026, the Group recognized Baht 8.4 million in compensation for customers' late payments, resulting in a significant increase in other income compared with Q3 2025.

YTD'2026 vs YTD'2025

Other income for the nine-month period ended 30 September 2026 decreased year on year, as the Group's Chinese subsidiary had received a Baht 10 million award from the Chinese government in Q2 2025 in recognition of its ranking among China's leading cross-border transport companies by annual transport volume.

Selling and administrative expenses

Q3 2026 vs Q2 2026

In Q3 2026, selling and administrative expenses decreased by Baht 5 million compared with Q2 2026, which included a bad debt write-off of Baht 8 million. This decrease was partially offset by Baht 2 million in expenses associated with opening offices in China and an additional Baht 1 million receivables write-off at the Malaysian subsidiary.

Q3 2026 vs Q3 2025

In Q3 2026, selling and administrative expenses increased by Baht 7.4 million year on year. The increase was mainly attributable to Baht 2 million in expenses for establishing subsidiaries in China, including the Shanghai office and an operation at the border crossing to Central Asia; a Baht 1 million receivables write-off at the Malaysian subsidiary; Baht 1 million in personnel and consultancy costs for sustainability planning; and Baht 1 million in legal consultancy fees. Other expenses increased by 7%, or Baht 2 million, in line with normal business growth.

YTD'2026 vs YTD'2025

For the nine-month period ended 30 September 2026, selling and administrative expenses increased by Baht 18.6 million. The main contributors were a Baht 9 million receivables write-off at the Malaysian subsidiary and Baht 4 million in expenses for establishing subsidiaries in China, including the Shanghai office and an operation at the border crossing to Central Asia. These non-recurring items totaled Baht 13 million and arose

only in 2026. Excluding these items, selling and administrative expenses would have increased by approximately 6.19% year on year, in line with normal business growth.

Net foreign exchange gain (loss)

Q3 2026 vs Q2 2026

In Q3 2026, the Group recorded a net foreign exchange gain of Baht 6.8 million, an increase of Baht 1.6 million compared with Q2 2026, reflecting more effective management of exchange rate volatility. The Malaysian ringgit, Chinese yuan and US dollar were the principal currencies contributing to the gain.

Q3 2026 vs Q3 2025

In Q3 2026, the Group recorded a net foreign exchange gain of Baht 6.8 million, an increase of Baht 2.8 million compared with Q3 2025, reflecting more effective management of exchange rate volatility. The Malaysian ringgit, Chinese yuan and US dollar were the principal currencies contributing to the gain.

YTD'2026 vs YTD'2025

For the nine-month period ended 30 September 2026, the Group recorded a net foreign exchange gain of Baht 16.5 million, an improvement of Baht 19.5 million from a net loss of Baht 3.0 million in the corresponding period of 2025. This reflected more effective management of exchange rate volatility, with the Malaysian ringgit, Chinese yuan and US dollar being the principal currencies contributing to the gain.

Finance costs

Finance costs in Q3 2026 amounted to Baht 1.1 million, a decrease of Baht 0.7 million, or 39%, year on year and Baht 0.1 million, or 8%, compared with Q2 2026.

For the nine-month period ended 30 September 2026, finance costs amounted to Baht 3.6 million, a decrease of Baht 2.0 million, or 36%, year on year. This was mainly attributable to lower lease liabilities and borrowings from financial institutions. The Group continued to repay its bank borrowings, which have now been fully repaid.

Net profit (loss) attributable to equity holders of the Company

Q3 2026 vs Q2 2026

In Q3 2026, the Group returned to a net profit attributable to equity holders of the Company of Baht 31.5 million, compared with a loss of Baht 13.5 million in Q2 2026. The improvement was primarily driven by more effective service rate adjustments to recover higher costs, particularly fuel costs. The Group also collected long-overdue receivables and received an additional Baht 8.4 million in late payment compensation. A Baht 1.6 million increase in net foreign exchange gains and lower finance costs further supported the return to profitability.

Q3 2026 vs Q3 2025

In Q3 2026, net profit attributable to equity holders of the Company increased to Baht 31.5 million from Baht 11.0 million in Q3 2025. The improvement was primarily driven by more effective service rate adjustments to recover higher costs, particularly fuel costs. This included revenue recognized during the quarter relating to fuel cost increases in Q1 and Q2 2026. The Group also collected long-overdue receivables and received an additional Baht 8.4 million in late payment compensation. A Baht 2.8 million increase in net foreign exchange gains and lower finance costs further supported profitability.

YTD'2026 vs YTD'2025

For the nine-month period ended 30 September 2026, net profit attributable to equity holders of the Company amounted to Baht 4.8 million, a decrease of Baht 41.1 million from Baht 45.9 million in the corresponding period of 2025. The decline was mainly attributable to higher transport costs, particularly a 36% increase in fuel prices in Vietnam, China and Thailand between March and September 2026, together with more empty trips early in the year from war situation, which significantly reduced gross profit. Selling and administrative expenses also increased by Baht 18.6 million, including approximately Baht 13 million in non-recurring receivables write-offs at the Malaysian subsidiary and expenses for establishing new subsidiaries in China. These items further affected profitability. Nevertheless, the Group continued to manage foreign exchange volatility and finance costs effectively.

3.2 Analysis of the Group's Financial Position

Statement of financial position	Consolidated financial statements as at			
	31-Dec-25		30-Sep-26	
	Baht million	Percent	Baht million	Percent
Assets				
Cash and cash equivalents	131.66	11.13%	185.08	14.62%
Other financial assets measured at fair value through profit or loss	28.38	2.40%	7.21	0.57%
Trade and other current receivables	444.07	37.53%	503.30	39.75%
Contract assets	144.39	12.20%	140.61	11.11%
Other current assets	29.90	2.53%	41.76	3.30%
Leasehold improvements and equipment	158.57	13.40%	172.95	13.66%
Right-of-use assets - net	136.82	11.56%	104.76	8.27%
Other non-current assets	109.55	9.25%	110.41	8.72%
Total assets	**1,183.34**	**100.00%**	**1,266.08**	**100.00%**

Assets

As at 30 September 2026, total assets amounted to Baht 1,266.08 million, an increase of Baht 82.74 million, or 7%, from 31 December 2025. This was mainly attributable to a Baht 53.42 million increase in cash and cash equivalents generated by operating cash flows during the period, together with increases in trade and other current receivables and contract assets associated with higher transport and service revenue in 2026.

Statement of financial position	Consolidated financial statements as at			
	31-Dec-25		30-Sep-26	
	Baht million	Percent	Baht million	Percent
Liabilities and equity				
Trade and other current payables	501.13	42.35%	604.13	47.72%
Borrowings from financial institutions	10.76	0.91%	-	0.00%
Lease liabilities	84.79	7.17%	77.67	6.14%
Other current liabilities	9.41	0.80%	9.80	0.77%
Non-current liabilities	6.98	0.58%	8.13	0.64%
Total equity attributable to owners of the Company	594.57	50.25%	597.33	47.18%
Total equity	570.27	48.19%	566.35	44.73%
Total liabilities and equity	**1,183.34**	**100.00%**	**1,266.08**	**100.00%**

Liabilities and equity

As at 30 September 2026, total liabilities amounted to Baht 699.73 million, an increase of Baht 86.66 million, or 14.14%, from 31 December 2025. This was mainly attributable to higher trade and other current payables resulting from increased fuel prices. Lease liabilities continued to decline through scheduled repayments, and borrowings from financial institutions were fully repaid in Q3 2026. Equity attributable to owners of the Company increased by Baht 2.76 million from 31 December 2025, reflecting profit generated during the period.

3.3 Liquidity Analysis

(Unit: Baht million)	For the 9-month period	
	Q3/2025	Q3/2026
Cash at beginning of period: 1 January	81.58	131.66
Net cash flows from / (used in) operating activities	70.23	88.57
Net cash flows from / (used in) investing activities	24.12	15.59
Net cash flows from / (used in) financing activities	(55.21)	(44.00)
Effect of exchange rate differences on translation of cash	(2.62)	(6.74)
Net increase / (decrease) in cash flows	36.52	53.42
Cash at end of period: 30 September	118.10	185.08

For the nine-month period ended 30 September 2026, net cash generated from operating activities amounted to Baht 88.57 million, an increase of Baht 18.34 million, or 26.11%, year on year, reflecting operating performance and more efficient operating cash flow management. Net cash generated from investing activities amounted to Baht 15.59 million, a decrease of Baht 8.53 million, or 35.36%, due to lower proceeds from the disposal of investments. Net cash used in financing activities amounted to Baht 44 million, a decrease of Baht 11.21 million, or 20.30%. Financing outflows comprised repayments of bank borrowings and lease liabilities, together with related interest payments. These outflows declined as the Group made scheduled repayments and fully repaid certain borrowings during the quarter.

Cash and cash equivalents as at 30 September 2026 amounted to Baht 185.08 million, an increase of Baht 53.42 million, or 40.57%, from 31 December 2025.

3.4 Financial Ratios

	2025	2026
Gross profit margin	8.1%	5.7%
Net profit margin	2.8%	(0.1%)
Liquidity ratio	1.40	1.35
Debt to equity ratio	1.08	1.24
Interest-bearing debt to equity ratio	16.8%	13.7%

The financial ratios indicate an overall improvement in the Group's financial stability compared with the previous year, supported by the full repayment of certain interest-bearing debt. Operating performance declined slightly compared with 2025 dueto the sharp rise in fuel prices, particularly during Q1 and Q2 2026. Management responded by adjusting its pricing strategy to improve profitability, as reflected in the stronger results in Q3 2026 compared with the first two quarters.

4) Business Outlook for 2026

In 2026, the international logistics and transport industry continues to face volatility in commodity costs and energy prices, alongside increasingly intense competition on the main China–ASEAN corridor, which is approaching saturation. The Group has therefore refined its strategy to differentiate its service routes and prioritize profitability over revenue growth (“Profit over Growth”), with the objective of sustainably improving gross profit margins and operating results.

Expansion into Central Asia (“Journey to the West”): The Group is pursuing new growth opportunities by extending its cross-border road transport network westward into Central Asia, with the Republic of Kazakhstan serving as a key hub. Its established ASEAN network creates opportunities to connect ASEAN, particularly Vietnam, with Central Asia, differentiating its services from those of providers operating solely between China and Central Asia. High-value cargo, including electronic components and telecommunications equipment, continues to rely primarily on road transport because of uncertainty and delays in rail services. The main route connects the Ping Xiang border checkpoint, the Khorgas border checkpoint and Almaty. Operations are supported by ETL China, which has a representative office near the Kazakhstan border and relevant operating experience.

Key cargo segments: Demand remains steady in the automotive, household electrical appliance, food and beverage, and consumer goods segments. Electronic components are also expected to benefit from the relocation of manufacturing facilities to Thailand and government investment promotion policies, particularly in the Eastern Economic Corridor (EEC).

Cold chain logistics: Growth opportunities remain, particularly for agricultural products, fruit, processed food, beverages and frozen food transported between Thailand and China. The Group has prepared food-grade and refrigerated containers in advance to meet this demand.

Multimodal transport: The Group uses sea-to-land transport to reduce congestion at border checkpoints and rail-road transport to extend its service network. It sees opportunities to expand routes to Central Asia, particularly for cross-border freight originating in China and ASEAN.

Profitability management: The Group prioritizes improving gross profit margins over increasing transport volume. Its focus includes managing empty-trip costs arising from imbalances between northbound and southbound volumes, maintaining prudent liquidity management and standardizing operating processes across the network.

China market and operating systems: Continued growth in Chinese exports and increasing southbound transport volume from China to ASEAN present opportunities to expand volume and strengthen the service network. The Group continues to deploy technology and applications for fleet planning and control to reduce congestion time, improve container turnaround, and enhance data visibility and analytics.

Summary of Business Strategy for 2026

- Expand the cross-border road transport network into Central Asia through the “Journey to the West” project, connecting ASEAN with Central Asia through the Group's established ASEAN network and operational support from ETL China.
- Develop key cargo segments, particularly electronics, to capture opportunities arising from manufacturing relocation and EEC policies.
- Increase cold chain transport volume, particularly food and beverages between Thailand and China, using food-grade and refrigerated containers.
- Develop multimodal transport by using sea-to-land services to reduce border congestion and rail-road services to expand routes to Central Asia.

- Prioritize profitability over revenue growth by improving gross profit margins, managing empty-trip costs and maintaining prudent liquidity management.
- Capture growth in southbound transport from China to ASEAN and continue developing operating systems and technology to improve data visibility and analytics, support market analysis and fleet management, and reduce empty trips on China–ASEAN routes.

5) Key Sustainability Initiatives

The Group integrates environmental, social and governance (ESG) considerations into its operations throughout the value chain to support business growth, create shared value for stakeholders and facilitate the transition to a low-carbon economy in line with international guidelines. Material sustainability topics are addressed through policies, targets and action plans across the following three dimensions:

Environmental

The Group seeks to reduce the environmental impact of its logistics operations by lowering greenhouse gas emissions, improving energy efficiency and developing green logistics systems to support the transition to low-carbon operations.

The Company has compiled and managed its organizational carbon footprint data, which has been certified by the Thailand Greenhouse Gas Management Organization (Public Organization), or TGO, and under ISO 14064-1:2018. These certifications strengthen the credibility, transparency and verifiability of emissions data and support systematic planning for emissions management and reduction.

The Company also seeks to reduce emissions directly from transport operations by improving energy efficiency per unit of transport. Key measures include (1) managing empty trips arising from imbalances between northbound and southbound volumes to improve load factors and reduce empty mileage; (2) developing sea-to-land and rail-road transport to ease border congestion and shift freight to more energy-efficient modes; and (3) deploying technology and applications for fleet planning and control to reduce congestion time and improve container turnaround.

The Company is preparing to deploy eight electric trucks on cross-border routes linking Thailand's Nakhon Phanom checkpoint, the Lao People's Democratic Republic's Naphao checkpoint and the Socialist Republic of Vietnam's Cha Lo checkpoint. Operations are expected to commence in Q4 2026. This initiative

represents a significant step in the development of green logistics and will serve as a model for potential expansion to other routes.

Social

The Group seeks to create shared value for society through initiatives aligned with its logistics expertise, while developing employee capabilities and maintaining a safe working environment that supports sustainable growth.

The Company plans to implement educational initiatives in cooperation with local communities and government agencies to expand learning opportunities for young people in the areas where it operates and improve the quality of life in surrounding communities.

The Company prioritizes employee safety, occupational health and the continuous development of knowledge, skills and capabilities. It also strengthens digital skills to support the adoption of new systems and tools, improve operational efficiency, enhance employee engagement and prepare for expansion into new markets and transport routes.

Governance

The Group upholds good corporate governance based on transparency, accountability, fairness and business ethics to maintain the confidence of shareholders, investors, customers, employees and other stakeholders.

The Group promotes a culture of good corporate governance and ethical conduct through ongoing communication and training for employees at all levels.

The Group is strengthening internal controls and data governance across its commercial processes by developing an end-to-end quotation system linked to reference cost rates for transactions among Group companies (RPT). The system covers quotation preparation, actual cost recording and invoicing. Role-based access controls protect sensitive cost information, restrict cost amendments to authorized personnel and maintain a complete audit trail. Pricing approval by the Commercial Director and Chief Executive Officer is determined by gross profit levels. The system also automatically flags exceptions, including margins below specified thresholds and actual costs that deviate from reference rates. These controls are designed to enhance transparency, prevent loss-making quotations and standardize processes across the China–Vietnam–Thailand–Malaysia–Singapore network.

The Group aims to enhance its corporate governance, risk management and internal control systems in line with international practices and standards to support stable and sustainable business growth.

The Company is also developing a quality management system under ISO 9001 to improve operational efficiency, establish consistent service standards and strengthen the long-term confidence of customers and stakeholders. Completion is expected in Q1 2027.

The Group remains committed to continuous improvement in sustainability by integrating ESG principles into its business strategy to achieve balanced growth, strengthen competitiveness, meet stakeholder expectations and create long-term value for society, the economy and the environment.

Yours faithfully

Euroasia Total Logistics Public Company Limited

Mr. Dhanes Mekintharanggur

Chief Executive Officer