

Management Discussion and Analysis: MD&A

Operating performance and financial position

1) Highlights of the Company's operating performance

In Q2/2025, the Company generated total revenue from service income of Baht 542.9 million which increased by 60% when compared to that of the same quarter of the previous year. The Company generated an increased volume of shipments by approximately 45% when compared to that of the same quarter of the previous year. In this quarter, the cross-border trade in Thailand increased by 146 percent, in Malaysia by 68 percent, and in China by 72 percent. However, the Company's gross profit margin decreased by approximately 4 percent from the gross profit margin of the same quarter of the previous year. The main reason was due to the increased competition in the market, and the strategies on having new customers and pricing – increasing backhaul trips to reduce imbalance trade between Thailand and China.

Summary of the Company performance for Q2 and 6 months of the year 2024 and 2025

Comprehensive income statements (Unit: Million Baht)	Q2'24	Q1'25	Q2'25	YoY		QoQ	
				Increase (Decrease)		Increase (Decrease)	
Service income	340.0	312.7	542.9	202.9	60%	230.2	74%
Cost of services	(299.0)	(269.1)	(499.1)	(200.1)	67%	(230.0)	85%
Gross profit	41.0	43.6	43.8	2.8	7%	0.2	0%
Other income	4.6	1.6	14.0	9.4	203%	12.4	791%
Selling expenses	(1.0)	(1.3)	(1.0)	(0.0)	1%	0.2	-19%
Administrative expenses	(28.6)	(28.5)	(27.4)	1.2	-4%	1.1	-4%
Gain (Loss) on exchange	7.5	(1.6)	(5.3)	(12.8)	-172%	(3.7)	235%
Profit (Loss) before finance cost and tax expenses	23.5	13.8	23.9	0.5	2%	10.2	74%
Financial Cost	(2.6)	(1.8)	(2.1)	0.5	-19%	(0.3)	17%
Income Tax Expenses	(4.4)	(1.6)	(6.3)	(1.9)	44%	(4.7)	297%
Net Profit (Loss)	16.5	10.4	15.5	(0.9)	-6%	5.1	49%
Profit attributable to:							
Equity holders of the Company	15.4	13.0	22.0	6.6	43%	9.0	69%
Non-controlling interest of the subsidiary	1.1	(2.6)	(6.4)	(7.5)	-681%	(3.8)	149%
% Gross Profit	12.07%	13.95%	8.07%	-4.00%		-5.88%	
%Net Profit (Loss)	4.85%	3.33%	2.86%	-1.98%		-0.47%	

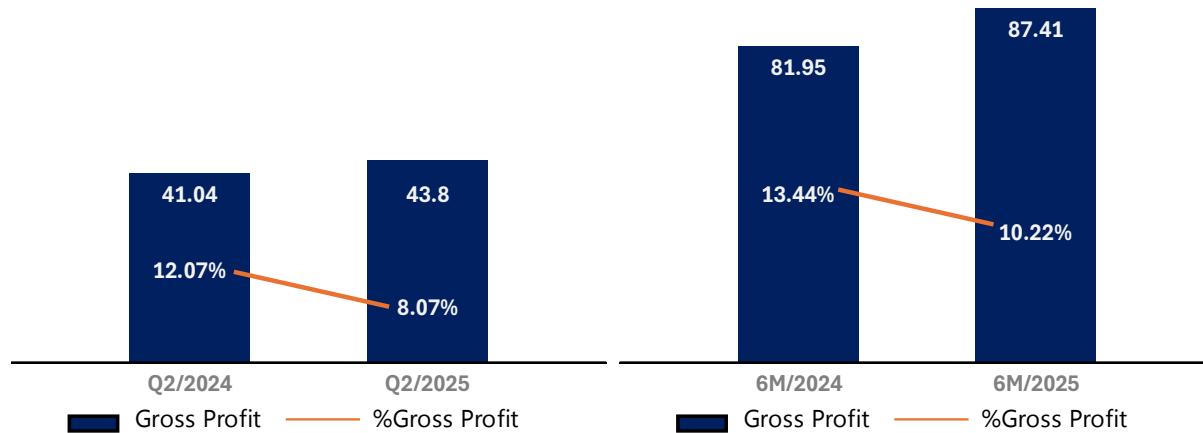
Comprehensive income statements (Unit: Million Baht)	6M		YoY	
	2024	2025	Increase (Decrease)	
Service income	609.6	855.6	246.0	40%
Cost of services	(527.6)	(768.1)	(240.5)	46%
Gross profit	81.9	87.4	5.5	7%
Other income	8.8	15.5	6.8	77%
Selling expenses	(2.2)	(2.3)	(0.1)	6%
Administrative expenses	(64.3)	(55.9)	8.4	-13%
Gain (Loss) on exchange	11.5	(6.9)	(18.4)	-160%
Profit (Loss) before finance cost and tax expenses	35.7	37.7	2.1	6%
Financial Cost	(4.5)	(3.9)	0.6	-13%
Income Tax Expenses	(6.1)	(7.9)	(1.8)	30%
Net Profit (Loss)	25.1	26.0	0.8	3%
Profit attributable to:				
Equity holders of the Company	23.6	35.0	11.3	48%
Non-controlling interest of the subsidiary	1.5	(9.0)	(10.5)	-694%
% Gross Profit	13.44%	10.22%	-3.23%	
%Net Profit (Loss)	4.12%	3.03%	-1.09%	

Service income

In this quarter, the Group generated total revenue of Baht 542.9 million, which increased by 60% when compared to YoY. The main reasons were from the increased volume of shipments by 45% from the expansion of import and export in both dry containers and reefer containers (Cold Chain) from fruit export as well as from the increased volumes of backhaul to China, which resulted in increased shipments and new customers such as the customers who required Multimodal Strategy – Land to Sea and Land to Air.

For the 6-month-period of 2024 and 2025, the Group generated service income of Baht 610 million and 856 million respectively, which increased by 40%. The main reason was the increased volume of shipments were more than those of the first half of 2025 by 44% by utilizing the same strategies as Q2/2025 as stated above.

Gross Profit and Gross Profit Margin



From the chart above, it can be seen that the Company's gross profit margin in the second quarter of 2025 and 6-month-period of 2025 decreased by 4% and 3% respectively. Although the Group was able to effectively reduce volumes of backhaul by 35% (QoQ), the higher competition in the market and the new customer groups as multimodal strategy caused the Group's gross profits decreased as mentioned above. However, the Company has foreseen the importance in developing relationships with new customers, which can help build sustainability in performing business in the future.

Other income

In this quarter, the Company's subsidiaries in China were granted monetary award from the China government amounted to THB 10 million since they are the cross border logistic companies with higher volumes of shipments of the year in China.

Gain (loss) on foreign exchange

In Q2/2025 and the 6-month-period of 2025, the Group had an unrealized foreign exchange loss of THB 5.3 million and 6.9 million respectively. The main reasons were from the Baht depreciation compared to RM, and the Baht appreciation compared to USD. However, the mentioned foreign exchange loss was an unrealized loss in Q2/2025, and the 6-month-period of 2025 amounted to THB 11 million and 9 million respectively. The Group has already had measurements and strategies to reduce the impact of currency fluctuation.

Selling and administrative expenses

The Group's selling and administrative expenses for 2025 decreased by THB 8 million compared to those of the previous year. The main reason was that in 2024, the Company had additional expenses due to its listing on the Stock Exchange in the fourth quarter of 2023, resulting in a decrease in selling and administrative expenses in the first half of 2025 compared to the first half of the previous year.

Financial Cost

The Group's financial cost decreased compared to that of the same period of the previous year by 13% from the consecutive return payment to the financial institutions.

Net profit

The Group had a net profit of THB 26 million for the 6-month-period of 2025, which was fairly similar to that of the 6-month-period of 2024 – THB 25 million.

Equity holders of the Company

The Group had a net profit in equity holders of the Company of THB 35 million for the 6-month-period of 2025, which increased from that of the first half of 2024 amounted to THB 24 million – increased by THB 11 million or 48%.

2) Financial position analysis

Statement of financial position	Consolidated financial statement as at			
	31 December 2024		30 June 2025	
	Million Baht	%	Million Baht	%
Assets				
Cash and cash equivalent	81.58	8.38%	145.01	13.13%
Other financial assets measured at fair value through profit or loss	85.61	8.79%	57.81	5.23%
Trade and other current receivable	300.21	30.84%	407.83	36.93%
Contracts assets	40.12	4.12%	53.40	4.84%
Other current assets	35.21	3.62%	24.08	2.18%
Building improvement and equipment	187.26	19.24%	171.57	15.54%
Right-of-use assets	141.96	14.58%	140.65	12.74%
Other non-current assets	101.57	10.43%	104.00	9.42%
Total assets	973.52	100.00%	1,104.35	100.00%

Assets

As of June 30, 2025, the Company had total assets of Baht 1,104.35 million, an increase of Baht 130.83 million or 13% from December 31, 2024, which was mainly due to the Company having better liquidity management between account payables and receivables than in the previous quarter, resulting in the company's cash and cash equivalents increasing by Baht 63 million.

Statement of financial position	Consolidated financial statement as at			
	31 December 2024		30 June 2025	
	Million Baht	%	Million Baht	%
Liabilities and shareholders' equity				
Trade and other payable	240.63	24.72%	382.77	34.66%
Loan from financial institutions	33.05	3.40%	20.90	1.89%
Lease liabilities	112.44	11.55%	96.07	8.70%
Other current liabilities	3.64	0.37%	7.35	0.67%
Other non-current liabilities	7.86	0.81%	7.72	0.70%
Total shareholders' equity	575.91	59.16%	589.54	53.38%
Total liabilities and shareholders' equity	973.52	100.00	1,104.35	100.00%

Liabilities and shareholders' equity

As of June 30, 2025, the Company's total liabilities were Baht 514 million, which increased by Baht 116 million from those as of December 31, 2024. It's mainly due to an increase in trade and other current payables from liquidity management with business partners.

As of June 30, 2025, shareholders' equity increased by Baht 14 million from December 31, 2024, resulting from the Company's increased operating performance during the period.

3) Perspective on the operating performance trend for the year 2025

For the second half of the year's strategic plans, general freight services can also provide growth for international logistics in Singapore, Malaysia, Thailand, Vietnam and China. There has not yet been an effect from the United States' tax measures or international competition or including conflicts between the Thai Cambodian border (ETL does not provide transportation services between these two countries).

The Group maintains its strategy to continuously expand its Cold Chain. The Group expected that the volumes of imports and exports in China, Thailand, Vietnam, Malaysia and Singapore remain a good direction for the strategic plan in the second half of the year. The Group is planning to expand into new transportation markets such as China to Central Asia and the development of multi-modal transportation – land to sea to reduce overall costs and increase the potential for faster delivery. From the situation that the Group encountered in the previous year, including the risk of currency fluctuations in the operations of the Group, the Group has put measured in place to reduce currency fluctuation in various ways to alleviate the impact of exchange rates. Furthermore, the Company

continues to take measures to reduce the empty trips by adding proactive strategies to increase the number of backhaul customers through the use of transportation management technology, improving transportation routes by utilizing transportation management technology (Smart Logistics) or AI to help analyze to increase efficiency in planning transportation management on each route in real time and adjusting strategies appropriately and in a timely manner.

In conclusion, the Group focuses on developing the logistics management model to another level as well as the continuous turnaround with the following action plans:

- 1) Enhancing transportation management technology (Smart Logistics) by utilizing AI to help analyze to increase the efficiency of real time route planning
- 2) Extending customer base into new areas to increase opportunities to match return trips and reduce volumes of backhaul/empty trips
- 3) Continuously offering temperature-controlled warehouse and transportation services (Cold Chain Logistics) to expand its customer base.
- 4) Opening new transportation markets by developing the China to Central Asia route

The Group believes that all of these strategies will help increase logistics efficiency and reduce transportation costs, resulting in the Group is able to compete sustainably in the long term.