

Euroasia Total Logistics Public Company Limited

Management Discussion and Analysis: MD&A

For the 3-month and 9-month periods ended September 30, 2025

Business Overview



**Euroasia Total Logistics Public Company Limited (ETL)** focuses on cross-border road transportation between China and Southeast Asia and is expanding its services to Europe through multimodal transport solutions. With over 10 years of experience in fast, flexible, and efficient cross-border trucking operations, our team is well-equipped to support business growth. We are committed to responding to evolving market conditions and customer demands by maximizing the use of available resources, integrating innovative technologies, and delivering professional services. Our goal is to continuously and sustainably enhance the value of our services for our customers.

**Management Discussion and Analysis**

Euroasia Total Logistics Public Company Limited (“ETL”) reported its operating results for the third quarter of 2025, with service revenue of THB 462.9 million, gross profit of THB 27.1 million, and net profit attributable to the company’s shareholders of THB 11.0 million. For the nine-month period ending September 30, 2025, the company reported service revenue of THB 1,318.5 million, gross profit of THB 114.5 million, and net profit attributable to the Company’s shareholders of THB 45.9 million. The company’s operating results included one-time expenses related to the relocation of the new head office amounting to THB 5 million.

## *(2) Summary of Significant Events and Developments*

During the third quarter through mid-fourth quarter of 2025, the Group undertook an organizational restructuring initiative aimed at strengthening strategic collaboration with key business partners and enhancing long-term operational efficiency. As part of this initiative, the Group resolved to relocate its head office from 19, 21 Motorway Road, Khlong Song Ton Nun Sub-district, Lat Krabang District, Bangkok 10520, to 88/8, 4th Floor, Nonsi Road, Chong Nonsi Sub-district, Yannawa District, Bangkok 10120. The relocation was completed on November 3, 2025. The new head office location enables the Group to benefit from shared service arrangements with its business partners, particularly in human resource administration, training and development, sustainability reporting, internal audit, and information technology services. These shared services are expected to deliver improved cost efficiency, streamline administrative processes, and support the Group's long-term strategy to enhance organizational capability and operational resilience. In connection with the relocation, the Group incurred one-time expenses totaling Baht 5 million during the third quarter of 2025. These expenses comprised statutory severance payments for employees who were unable to transfer to the new workplace, as well as losses from the write-off of fixed assets that could not be relocated. The Group anticipates that these one-time costs will be offset over time by the operational synergies and structural cost savings derived from the transition to the new head office.

## *(3) Operating performance and Financial Position*

### **3.1 Past Operating Results**

In Q3/2025, the Company generated total revenue from service income of THB 462.9 million which increased by 53% when compared to that of the same quarter of the previous year. The Company generated an increased volume of shipments by approximately 40% when compared to that of the same quarter of the previous year. In this quarter, the cross-border trade in Thailand increased by 60 percent, in Malaysia and Singapore by 28 percent, and in China by 101 percent.

However, the Company's gross profit margin decreased by approximately 0.6 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 Q3 and 9 months of the year 2024 and 2025

Comprehensive income statements (Unit: Million Baht)	Q3'67	Q2'68	Q3'68	YoY		QoQ	
				Change	Change	Change	Change
Service income	301.7	542.9	462.9	161.2	53%	(80)	-15%
Cost of services	(282.3)	(499.1)	(435.8)	(153.5)	54%	63.3	-13%
<b>Gross profit</b>	<b>19.4</b>	<b>43.8</b>	<b>27.1</b>	<b>7.7</b>	<b>40%</b>	<b>(16.7)</b>	<b>-38%</b>
Other income	0.9	13.9	2.0	1.1	122%	(11.9)	-86%
Selling expenses and distribution costs	(1.4)	(1.1)	(1.7)	(0.3)	21%	(0.6)	55%
Administrative expenses	(25.2)	(27.4)	(30.4)	5.2	21%	(3)	11%
(Loss) reversal of expected credit losses (ECL)	(2.1)	0.0	2.3	4.4	-210%	2.3	100%
Gain (Loss) on exchange	(8.6)	(5.3)	4.0	12.6	-147%	9.3	-175%
<b>Profit (Loss) before finance cost and tax expenses</b>	<b>(17.0)</b>	<b>23.9</b>	<b>3.3</b>	<b>20.3</b>	<b>-119%</b>	<b>(20.6)</b>	<b>-86%</b>
Financial Cost	(2.7)	(2.1)	(1.8)	0.9	-33%	0.3	-14%
Income Tax Expenses	3.7	(6.3)	5.5	1.8	49%	11.8	-187%
<b>Profit (Loss) for the period</b>	<b>(16.0)</b>	<b>15.5</b>	<b>7.0</b>	<b>23.0</b>	<b>-144%</b>	<b>(8.5)</b>	<b>-55%</b>
<b><u>Profit attributable to:</u></b>							
Equity holders of the Company	(13.2)	22.0	11.0	24.2	-183%	(11)	-50%
Non-controlling interest of the subsidiary	(2.8)	(6.4)	(4.0)	(1.2)	43%	2.4	-38%
<b>% Gross Profit</b>	<b>6.41%</b>	<b>8.07%</b>	<b>5.85%</b>	<b>-0.56%</b>		<b>-2.22%</b>	
<b>%Net Profit (Loss)</b>	<b>-5.35%</b>	<b>2.86%</b>	<b>1.50%</b>	<b>6.85%</b>		<b>-1.36%</b>	

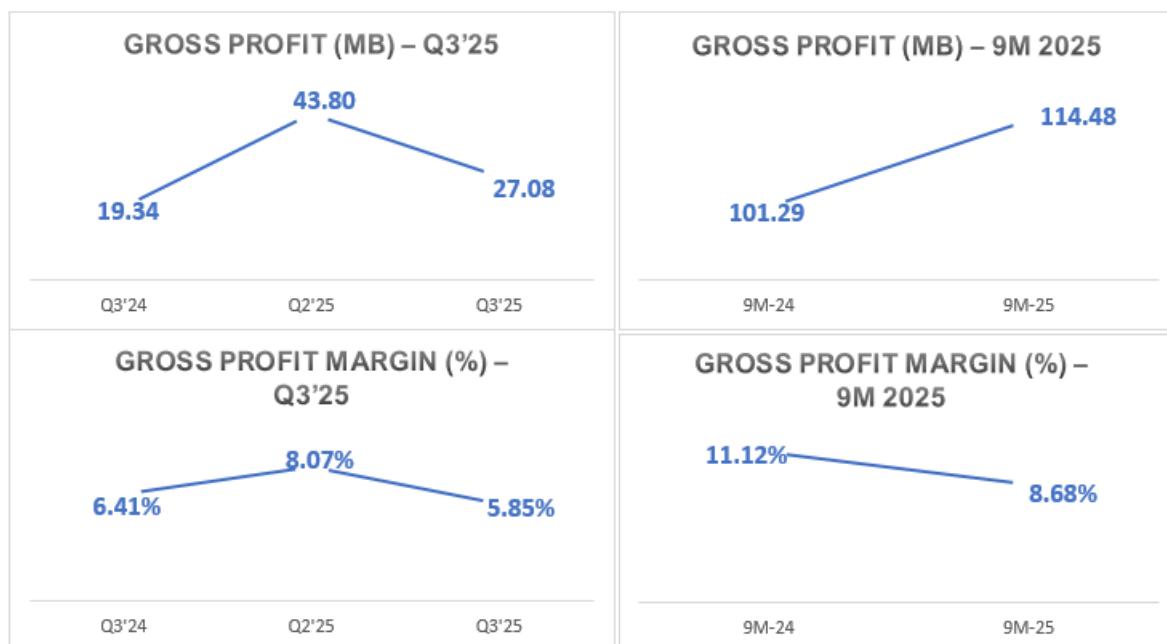
Comprehensive income statements (Unit: Million Baht)	9M		YoY	
	2024	2025	Change	
Service income	911.2	1,318.5	407.3	45%
Cost of services	(809.9)	(1,204.0)	(394.1)	49%
Gross profit	101.3	114.5	13.2	13%
Other income	7.8	17.6	9.8	126%
Selling expenses and distribution costs	(3.5)	(4.0)	(0.5)	14%
Administrative expenses	(87.7)	(86.4)	1.3	-1%
(Loss) reversal of expected credit losses (ECL)	(3.9)	2.3	6.2	-159%
Gain (Loss) on exchange	2.8	(3.0)	(5.8)	-207%
<b>Profit (Loss) before finance cost and tax expenses</b>	<b>16.8</b>	<b>41.0</b>	<b>24.2</b>	<b>144%</b>
Financial Cost	(5.4)	(5.6)	(0.2)	4%
Income Tax Expenses	(2.4)	(2.5)	(0.1)	4%
<b>Profit (Loss) for the period</b>	<b>9.0</b>	<b>32.9</b>	<b>23.9</b>	<b>266%</b>
<b><u>Profit attributable to:</u></b>				
Equity holders of the Company	10.4	45.9	35.5	341%
Non-controlling interest of the subsidiary	(1.4)	(13.0)	(11.6)	829%
<b>% Gross Profit</b>	<b>11.12%</b>	<b>8.68%</b>	<b>-2.44%</b>	
<b>%Net Profit (Loss)</b>	<b>0.99%</b>	<b>2.50%</b>	<b>1.51%</b>	

### Service income

In this quarter, the Group generated total revenue of Baht 462.9 million, which increased by 53% when compared to YoY. The main reasons were from the increased volume of shipments by 40%, from the expansion of imports and exports in both dry containers and reefer containers (Cold Chain) from fruit export sector as well as the food and beverage (dairy products) sector. In addition, the increased backhaul volume to China contributed to higher shipment activities and new customer acquisitions, including those requiring a Multimodal Strategy – Land to Sea and Land to Air.

For the nine-month periods of 2024 and 2025, the Group generated service revenue of THB 911 million and THB 1,319 million, respectively, representing an increase of 45 percent. The increase was primarily attributable to higher transportation volume during the period compared to the previous year, consistent with the trend observed in the third quarter of 2025 as previously discussed.

### Gross Profit and Gross Profit Margin



From the chart above, it can be seen that the Company's gross profit margin in the third quarter of 2025 and 9-month-period of 2025 decreased by 0.6% and 2.4%, respectively, due to intensified price competition and an increase in imbalance trade compared to both QoQ and YoY (Southbound – shipments from China increased by 101% YoY). The expansion into new customer segments under Multimodal Strategy also contributed to the decline in gross profit margin. Nevertheless, the Company recognizes the importance of developing relationships with new customers, which can support sustainable business growth in the future.

### Other income

In this year, the Company's subsidiary in China was 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 the third quarter of 2025, the Group recorded a foreign exchange gain of THB 4 million, attributable to improved management of foreign exchange exposure compared to the previous quarter. However, due to the cumulative currency impact since the beginning of 2025, the Group still reported a foreign exchange loss of THB 3 million, resulting from unfavorable movements in the Thai Baht, the Malaysian Ringgit, and the U.S. Dollar. Nevertheless, the Group has implemented measures to mitigate the effects of volatility in these foreign currency exchange rates, as previously outlined.

### Selling and administrative expenses

The Group's selling and administrative expenses for 2025 increased by THB 5 million compared to those of the previous year. The main reasons were the relocation of the group's headquarters, the establishment of legal labor compensation provisions, and the write-off of non-transferable fixed assets. As a result, selling and administrative expenses for the 9-month period of 2025 increased compared to the same period last year.

### Financial Cost

The group's finance costs decreased by 33% compared to the same period last year, due to a continuous decline in interest rates and borrowings from financial institutions.

### Net profit

The group reported a net profit of THB 33 million for the first nine months of 2025, an increase from THB 9 million in the same period last year, representing growth of over 266%. The increase was driven by a 45% growth in revenue, resulting from higher volumes and an approximate 12% increase in revenue per trip. At the same time, the company managed its expenses more efficiently, with administrative expenses declining and other income increasing by THB 10 million. Additionally, the effective tax rate decreased due to the recognition of deferred tax assets, resulting in a significant overall growth in net profit.

### Equity holders of the Company

The Group recorded a net profit in equity holders of THB 46 million for the first nine months of 2025, an increase from THB 10 million in the same period of 2024 (an increase of THB 36 million, or 342%).

### 3.2) Financial position analysis

Statement of financial position	Consolidated financial statement as at			
	31 December 2024		30 September 2025	
	Million Baht	%	Million Baht	%
<b>Assets</b>				
Cash and cash equivalent	81.58	8.38%	118.1	10.33%
Other financial assets measured at fair value through profit or loss	85.61	8.79%	58.12	5.08%
Trade and other current receivable	300.21	30.84%	489.2	42.78%
Contracts	40.12	4.12%	47.37	4.14%
Other current assets	35.21	3.62%	26.42	2.31%
Building improvement and equipment	187.26	19.24%	164.37	14.37%
Net right-of-use assets	141.96	14.58%	129.68	11.34%
Other non-current assets	101.57	10.43%	110.25	9.65%
<b>Total assets</b>	<b>973.52</b>	<b>100.00%</b>	<b>1,143.51</b>	<b>100.00%</b>

#### Assets

As of September 30, 2025, the Company had total assets of Baht 1,143.51 million, an increase of THB 170 million or 17% from December 31, 2024, the increase was mainly due to higher trade and other receivables, as well as contract assets from higher volume of transportation services and service income, compared with the previous year.

Statement of financial position	Consolidated financial statement as at			
	31 December 2024		30 September 2025	
	Million Baht	%	Million Baht	%
Liabilities and shareholders' equity				
Trade and other payable	240.63	24.72%	425.93	37.25%
Loan from financial institutions	33.05	3.39%	15.83	1.38%
Lease liabilities	112.44	11.55%	82.73	7.23%
Other current liabilities	3.64	0.37%	6.38	0.56%
Other non-current liabilities	7.85	0.81%	9.89	0.87%
Total shareholders' equity	575.91	59.16%	602.75	52.71%
<b>Total liabilities and shareholders' equity</b>	<b>973.52</b>	<b>100.00%</b>	<b>1,143.51</b>	<b>100.00%</b>

#### Liabilities and shareholders' equity

As of September 30, 2025, the Company's total liabilities were Baht 541 million, which increased by Baht 143 million from those as of December 31, 2024. It's mainly due to an increase in trade and other current payables, resulting from the increased volume of transportation activities and services.

As of September 30, 2025, shareholders' equity increased by Baht 27 million from December 31, 2024, resulting from the Company's increased operating performance during the period.

### 3.3 Liquidity Analysis

Million Baht	9M	
	Q3/2567	Q3/2568
Cash at the beginning of the period: 1 January	89.18	81.58
Net cash provided by / (used in) operating activities	94.23	70.23
Net cash provided by / (used in) investing activities	(11.11)	24.12
Net cash provided by / (used in) financing activities	(60.52)	(55.21)
Effect of exchange rate changes on cash and cash equivalents	(55.75)	(2.62)
Net increase / (decrease) in cash and cash equivalents	(33.15)	36.52
Cash at the end of the period: 30 September	56.03	118.10

For the first nine months of 2025, the Group generated net cash from operating activities of THB 70.23 million, representing a decrease of THB 24 million (-25%) from the same period of the previous year. Net cash provided by (used in) investing activities amounted to THB 24.10 million, an increase of THB 35.23 million (+317%) year-on-year. The Group recorded net cash used in financing activities of THB 55.21 million, which decreased by THB 5.31 million (-8.77%) compared to the same period of the prior year. These financing cash outflows primarily comprised repayments of bank borrowings, lease liabilities, and interest payments on bank loans and lease obligations.

As a result, cash and cash equivalents amounted to THB 118.1 million, an increase of THB 36.52 million (+45%) from December 31, 2024.

### 3.4 Financial Ratios

	3Q67	3Q68	9M67	9M68
Gross Profit Margin	6.41%	5.85%	11.12%	8.68%
Net Profit Margin	(5.35%)	1.50%	0.99%	2.50%
Return on Equity	(3.60%)	1.54%	1.51%	5.46%
Return on Assets	(2.18%)	0.81%	0.91%	2.88%
Debt-to-Equity Ratio	0.65	0.90	0.65	0.90
Interest-Bearing Debt-to-Equity Ratio	0.63	0.16	0.63	0.16

Based on the financial ratios discussed above, the Group's overall financial position and operating performance have strengthened and shown continued improvement.

#### *(4) Business trends in 2025*

For the strategic plan in the final quarter of 2025, we have begun providing transportation services from China to Central Asia and Russia. The number of trips and customers using the new service is expected to increase. The company is also in the process of establishing offices at the Khorgas border between China and Kazakhstan. Meanwhile, our Multimodal services — both Land-to-Sea and Land-to-Air — continue to operate steadily.

For the strategic expansion of cold chain logistics, the operations continue to perform steadily on routes between Thailand–China and Thailand–Malaysia, primarily for fruit, food, and beverage products. The Group plans to integrate its services into a Total Supply Chain management model for cold storage facilities by collaborating with strategic partners within the Group. This initiative aims to deliver a comprehensive, end-to-end service solution to customers. In terms of risk management, the Group has implemented various measures to mitigate the impact of foreign exchange fluctuations, ensuring effective control over currency volatility across its operations. Additionally, the Company continues to minimize empty trips by adopting proactive strategies to increase backhaul loads using advanced transportation management technologies. Route optimization and Smart Logistics initiatives, supported by AI-driven analytics, are being employed to enhance real-time transport planning and enable timely and effective strategic adjustments.

In summary, the Group is committed to advancing its logistics management capabilities to the next level, with the following strategic initiatives:

1. **Expanding new transportation markets** by developing routes from China to Central Asia and Russia.
2. **Enhancing cold chain logistics services** by continuously offering integrated warehousing and temperature-controlled transportation solutions, serving fruit, food, and beverage customers.
3. **Implementing proactive strategies** to promote end-to-end multimodal transportation services that combine two or more modes of transport.
4. **Optimizing operations to reduce empty trips** resulting from trade imbalances through the adoption of AI-driven Smart Logistics technology for real-time planning and agile strategic adjustments.

The Group believes that these strategic initiatives will enhance logistics efficiency, reduce transportation costs, and drive stronger business performance, supporting sustainable and long-term growth.

### **(5) Key Sustainability Initiatives in 2025**

The Group has established a sustainability strategy by integrating ESG principles into its core business operations.

**Environmental Dimension:** The Group has implemented operational practices aimed at reducing environmental impact, including:

1. **Carbon management:** The Company manages and monitors its operational carbon footprint and has been awarded the *CFO Certificate by TGO* as well as *ISO 14064-1:2018 (Greenhouse Gas Certification)*.
2. **Deployment of EV trucks:** The Group will commence the use of eight electric trucks for cross-border cargo transport along the route from the Thai border checkpoint (Nakhon Phanom) to the Lao PDR (Naphao) and onward to Vietnam (Chalo) by December 2025.

**Social Dimension:** The Group continues to support communities through recurring social contribution initiatives conducted twice a year, including:

1. A project to construct a library for Wat Bang Phueng School in Chachoengsao Province.
2. A beach cleaning initiative at Saeng Chan Beach in Rayong Province.

**Governance Dimension:** The Group is committed to strengthening its corporate governance framework in accordance with good governance principles to build trust and confidence among all stakeholders.

Sincerely yours,

Euroasia Total Logistics Public Company Limited

Mr. Pornchai Daungkeowuttikri

Chief Executive Officer