

Euroasia Total Logistics Public Company Limited

Management Discussion and Analysis

For the three-month period ended 31 March 2026

(1) Business Overview



Eurasia Total Logistics Public Company Limited (“ETL”) (Stock Symbol: ETL) focuses on cross-border road transportation between China and Southeast Asia, with expansion into Europe through multimodal transportation solutions. Backed by over 10 years of experience in fast, flexible, and efficient cross-border trucking services, the Company is well-positioned to support business sector expansion while responding to evolving market conditions and customer demands. ETL maximizes the utilization of available resources, integrates technological innovation, and delivers professional services to continuously and sustainably enhance the value of its service offerings to customers.

Management Discussion and Analysis

Eurasia Total Logistics Public Company Limited (“ETL”) reported its operating results for the first quarter of 2026, recording service revenue of THB 517.9 million, gross profit of THB 8.2 million, and a net loss attributable to equity holders of the Company of THB 13.2 million.

(2) Summary of Significant Events and Developments

In the first quarter of 2026, transportation volume remained strong at around 2,000 trips per month, with most shipments moving from China to Southeast Asia. Volume peaked in March, further widening the imbalance in transportation flows. Demand for intermodal transportation also increased, particularly for shipments linked to ocean freight services at Hải Phòng Port.

However, amid the energy crisis, China and Vietnam unexpectedly increased diesel prices by approximately 20–30% in March, leading to higher transportation costs and a decline in gross profit compared to the same period of the previous year. The Group plans to implement pricing strategies to pass on the higher fuel costs to customers.

In April 2026, a subsidiary in China invested in a newly established subsidiary in China with a registered capital of RMB 2 million in order to support the Group's business expansion. The first capital contribution was made on 16 April 2026 using the Group's working capital.

During the same period, one of the Group's subsidiaries in Malaysia, which is a co-defendant in a civil lawsuit related to trade secret infringement, was preliminarily ruled liable by the court. However, the case remains under the court's damage assessment process, with the next court decision scheduled for May 2027.

(3) Operating Results and Financial Position

3.1 Historical Operating Results

For the first quarter of 2026, the Group recorded service revenue of THB 517.9 million, representing an increase of 66% compared to the same quarter of the previous year. The increase was primarily attributable to approximately 16% growth in transportation trips in 2026 compared to 2025. In addition, cross-border trade data showed that exports from China increased by 74%, while exports from Thailand increased by 19%.

However, the Group's gross profit margin declined by approximately 12% from that recorded in the same quarter of 2025. The principal factors were the significant imbalance in transportation volumes, with outbound shipments from China being approximately four times higher than return shipments to China, together with the sharp increase in fuel prices in China and Vietnam during the first quarter, which resulted in higher operating costs and adversely affected the Group's gross profit margin. In response, the Group plans to refine its operating strategy by selectively accepting higher-yield jobs, improving load balance to reduce empty trips, and passing on higher fuel costs to customers in the following months.

Summary of the Group's Operating Results for the First Quarter of 2026 Compared with the First Quarter of 2025 and the Fourth Quarter of 2025

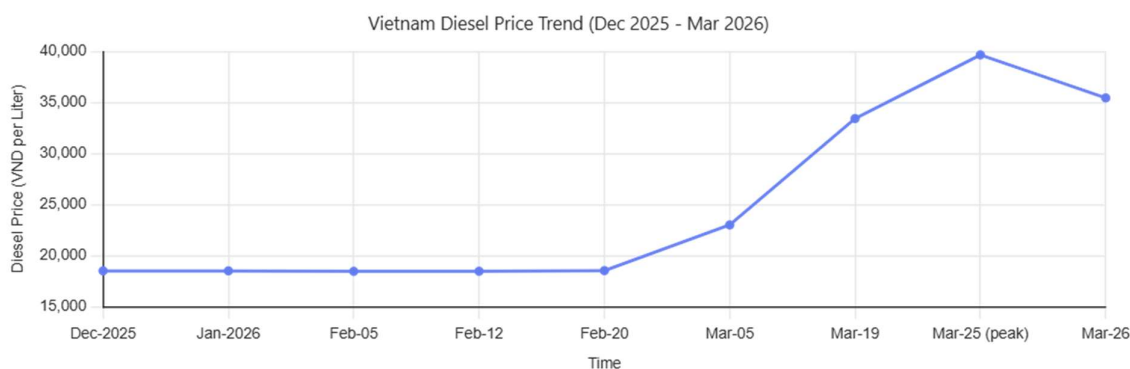
Consolidated Statement of Comprehensive Income (Unit: THB million)	Q1'25	Q4'25	Q1'26	YoY		QoQ	
				Increase (Decrease)		Increase (Decrease)	
Service revenue	312.7	419.5	517.9	205.2	66%	98.4	23%
Cost of services	(269.1)	(419.6)	(509.7)	240.6	89%	90.1	21%
Gross profit	43.6	(0.1)	8.2	(35.4)	(81%)	8.3	8330%
Other income	1.6	1.5	0.7	(0.9)	(56%)	(0.8)	(54%)
Selling expenses	(1.3)	(1.4)	(2.6)	1.3	102%	1.2	85%
Administrative expenses	(28.5)	(31.9)	(27.1)	(1.4)	(5%)	(4.8)	(15%)
Reversal of (expected credit loss)	-	4.7	-	-	-	(4.7)	(100%)
Gain (loss) on exchange rate - net	(1.6)	(5.5)	4.5	6.1	381%	10.0	182%
Profit (loss) before finance costs and income tax	13.8	(32.7)	(16.3)	(30.1)	(218%)	16.4	50%
Finance costs	(1.8)	(2.5)	(1.3)	(0.5)	(29%)	(1.2)	(49%)
Income tax	(1.6)	4.7	0.3	1.9	121%	(4.4)	(93%)
Net profit (loss)	10.4	(30.5)	(17.2)	(27.6)	(265%)	13.3	44%
Profit attributable to:							
Equity holders of the Company	13.0	(24.4)	(13.2)	(26.2)	(201%)	11.2	46%
Non-controlling interests of subsidiaries	(2.6)	(6.1)	(4.0)	(1.5)	(57%)	2.1	34%
Gross profit margin	13.95%	(0.02%)	1.59%	(12.36%)		1.61%	
Net profit margin	3.33%	(7.27%)	(3.32%)	(6.65%)		3.95%	

Service Revenue

For the first quarter of 2026 and the first quarter of 2025, the Group recorded service revenue of THB 517.9 million and THB 312.7 million, respectively, representing an increase of 66%. The increase was primarily attributable to a 16% increase in transportation trips compared to the previous year, mainly driven by the significant expansion in exports from China, which grew by 74%.

Gross Profit and Gross Profit Margin

For the first quarter of 2026, the Group reported a gross profit of THB 8.2 million, compared to THB 43.6 million in the first quarter of 2025, representing a decline of 81% year-on-year. The decrease was primarily attributable to higher fuel costs and the increasing imbalance of transport trips between Thailand and China. In March 2026, fuel prices in Vietnam and China rose sharply, exerting significant pressure on operating costs. In response, the Group has been adjusting freight rates with customers and implementing measures to manage the rising number of empty trips. This was driven by a 74% increase in export volume from China, which resulted in transportation costs rising at a faster pace than the growth in service revenue.



Other Income

The Group recorded other income of THB 0.7 million and THB 1.6 million for the first quarter of 2026 and the first quarter of 2025, respectively, representing a decrease of THB 0.9 million or 56% compared to the same period of the previous year. The decrease was mainly attributable to scrap sales amounting to THB 1.0 million recorded in the previous year. However, there were no material scrap sales transactions in the current quarter.

Selling and Administrative Expenses

For the first quarter of 2026 and the first quarter of 2025, the Group's selling and administrative expenses amounted to THB 29.7 million and THB 29.8 million, respectively, showing no significant change. The Group was able to manage its overhead expenses efficiently despite a 66% increase in service revenue.

Reversal of (Expected Credit Loss)

The Group did not record any adjustment related to expected credit loss, as receivables continued to be managed effectively.

Gain (Loss) on Exchange Rate

In the first quarter of 2026, the Group recorded a net foreign exchange gain of THB 4.5 million, representing an increase of THB 6.1 million compared to the first quarter of 2025. (In the first quarter of 2025, the Group recorded a net foreign exchange loss of THB 1.60 million.) The improvement was mainly attributable to more effective management of foreign exchange volatility, with the Malaysian Ringgit being the primary currency contributing positively to the exchange rate gain.

Finance Costs

The Group recorded finance costs of THB 1.3 million in the first quarter of 2026, decreasing by THB 0.5 million or 29% compared to the same period of the previous year. The decrease was primarily attributable to reductions in lease liabilities and borrowings from financial institutions following the Group's continuous repayment of bank loans.

Net Profit

The Group recorded a net loss of THB 13.2 million in the first quarter of 2026 (compared to net profit of THB 13.0 million in the first quarter of 2025). The net loss was primarily attributable to higher transportation costs, particularly the 30% increase in fuel prices during March 2026 in Vietnam and Thailand, as well as the increase in empty truck trips, which significantly reduced gross profit. Nevertheless, the Group was still able to effectively manage its selling and administrative expenses, foreign exchange volatility, and finance costs.

3.2 Analysis of the Group's Financial Position

Statements of Financial Position	Consolidated Financial Statements as at			
	31 December 2025		31 March 2026	
	THB million	%	THB million	%
Assets				
Cash and cash equivalents	131.66	11.13%	133.10	11.07%
Other financial assets measured at fair value through profit or loss	28.38	2.40%	7.18	0.6%
Trade and other current receivables	444.07	37.53%	454.71	37.81%
Contract assets	144.39	12.20%	173.31	14.41%
Other current assets	29.90	2.53%	36.20	3.01%
Leasehold improvements and equipment	158.57	13.40%	152.36	12.67%
Right-of-use assets - net	136.82	11.56%	132.55	11.02%
Other non-current assets	109.55	9.25%	113.07	9.41%
Total assets	1,183.34	100.00%	1,202.48	100.00%

Assets

As at 31 March 2026, the Group had total assets amounting to THB 1,202.48 million, representing an increase of THB 19.14 million or 1.6% compared to 31 December 2025. The increase was primarily attributable to higher trade and other current receivables, as well as contract assets, resulting from increased transportation activities and higher service revenue in 2026 compared to 2025.

Statements of Financial Position	Consolidated Financial Statements as at			
	31 December 2025		31 March 2026	
	THB million	%	THB million	%
Liabilities and shareholders' equity				
Trade and other current payables	501.13	42.35%	552.88	45.98%
Borrowings from financial institutions	10.76	0.91%	6.82	0.57%
Lease liabilities	84.79	7.17%	76.56	6.37%
Other current liabilities	9.41	0.80%	9.15	0.76%
Non-current liabilities	6.98	0.58%	7.27	0.60%
Total shareholders' equity	570.27	48.19%	549.80	45.72%
Total liabilities and shareholders' equity	1,183.34	100.00%	1,202.48	100.00%

Liabilities and Shareholders' Equity

As at 31 March 2026, the Group had total liabilities amounting to THB 652.68 million, representing an increase of THB 39.61 million or 6% compared to 31 December 2025. The increase was primarily attributable to the rise in trade and other current payables resulting from higher transportation volume and increased service activities.

As at 31 March 2026, total shareholders' equity decreased by THB 20.47 million compared to 31 December 2025, mainly due to the operating loss recorded during the current period.

3.3 Liquidity Analysis

Unit: THB million	For the 3-month period	
	Q1/2025	Q1/2026
Cash at beginning of period: 1 January	81.58	131.66
Net cash provided by (used in) operating activities	55.70	3.36
Net cash provided by (used in) investing activities	32.96	18.70
Net cash provided by (used in) financing activities	(25.98)	(16.82)
Exchange differences on translation of cash and cash equivalents	0.03	(3.80)
Net increase (decrease) in cash and cash equivalents	62.71	1.44
Cash at end of period: 31 March	144.29	133.10

In the first quarter of 2026, the Group recorded net cash provided by operating activities of THB 3.36 million, decreasing by THB 52.34 million or 94% compared to the same period of the previous year, mainly due to operating results during the period. Net cash provided by investing activities amounted to THB 18.70 million, decreasing by THB 14.26 million or 43% compared to the previous year. The Group also recorded net cash used in financing activities of THB 16.82 million, decreasing by THB 9.16 million or 35% compared to the previous year. This primarily consisted of repayments of borrowings from financial institutions, repayments of lease liabilities, and payments of interest on bank borrowings and lease liabilities. The decrease from the previous year was mainly due to the Group's scheduled debt repayments to financial institutions, with certain borrowings being fully repaid during the current quarter.

As at 31 March 2026, cash and cash equivalents amounted to THB 133.10 million, increasing by THB 1.45 million or 1.1% compared to 31 December 2025.

3.4 Financial Ratios

	Q1/2025	Q1/2026
Gross profit margin	13.9%	1.6%
Net profit margin	3.3%	(3.3)%
Current ratio	1.40	1.34
Debt-to-equity ratio (D/E ratio)	1.08	1.19
Interest-bearing debt-to-equity ratio	16.8%	15.1%

Based on the above financial ratios, the Group's overall financial position has improved and become more stable compared to the previous year. In terms of operating performance, management has adjusted its pricing strategy to enhance the Group's profitability.

(4) Business Outlook for 2026

The outlook for the logistics and international transportation industry in 2026 continues to face pressure from energy price volatility and ongoing conflicts in the Middle East, which have affected transportation costs and global supply chain management. If the energy price situation remains unresolved, the Group expects customers' stock inventory requirements to increase during the second quarter due to concerns over fluctuations in product costs and energy prices. However, Cross Border Transport (CBT) volume may slow down during the third quarter, and pricing competition is expected to intensify further in the second half of the year.

In terms of product segments, the automotive, home appliance, food and beverage, and daily consumer goods sectors continue to demonstrate strong transportation demand. Meanwhile, the electronics components segment is expected to remain soft due to weakening regional demand conditions.

For the Cold Chain Logistics business, the Group continues to see strong growth opportunities, particularly in the transportation of agricultural products and fruits, processed food, beverages, and frozen food products (F&B) between Thailand and China. Although service rates in the Cold Chain business have not increased significantly, the business continues to maintain a stable customer base and consistent service demand.

For the multimodal transportation business, particularly Land-to-Air and sea freight services, operations are expected to be affected by rising energy costs and uncertainties in international trade conditions during the current energy crisis.

From a strategic perspective, the Group remains focused on improving margin management efficiency while maintaining prudent financial liquidity management to strengthen cost stability and operational continuity.

Regarding the China market, the Group expects export volume from China to slow down during the third quarter. Southbound transportation volume from China to ASEAN is also expected to decline in line with weaker purchasing power and consumption resulting from the impact of the Middle East conflict.

Nevertheless, the Group continues to see growth opportunities in transportation routes to Central Asia, particularly cross-border transportation from China and ASEAN to Central Asia. These routes are becoming

increasingly attractive due to their cost advantages compared to air freight, as air freight rates remain at elevated levels.

In summary, the Group's business strategies are as follows:

- Focus on expanding the Cold Chain Logistics business to support agricultural products, fruits, and processed food transportation within the region.
- Manage costs and maintain gross profit margins efficiently amid energy price volatility.
- Continue increasing transportation volume on China–Central Asia and ASEAN–Central Asia routes.
- Effectively manage liquidity and supplier payments to accommodate market volatility.
- Closely monitor energy market conditions and geopolitical developments in order to adjust operational strategies appropriately in response to changing market conditions.

Key Sustainability Initiatives

The Group conducts its business under a sustainable development framework by integrating Environmental, Social, and Governance (ESG) principles throughout its value chain. This approach aims to achieve business growth alongside responsible stakeholder engagement while aligning with global low-carbon economic development trends. The Company also places significant emphasis on managing and mitigating impacts related to key sustainability material topics. The Group's key sustainability initiatives are summarized across the following three dimensions:

Environmental Dimension

The Group is committed to systematically managing environmental impacts arising from its logistics operations, with a particular focus on greenhouse gas emissions management and the development of Green Logistics initiatives to support sustainable growth

- The Company has implemented and managed its Carbon Footprint for Organization (CFO) and has obtained certification from the Thailand Greenhouse Gas Management Organization (TGO), as well as ISO 14064-1:2018 certification. These certifications reflect the Company's commitment to transparent and verifiable greenhouse gas emissions management and disclosure.
- Going forward, the Group has established a proactive plan to reduce greenhouse gas emissions from transportation by introducing electric trucks (EV Trucks) for cross-border transportation routes connecting Thailand (Nakhon Phanom Border Checkpoint), Laos (Naphao Border Checkpoint), and

Vietnam (Chalo Border Checkpoint). A total of eight EV trucks are planned for deployment, with operations expected to commence within the second quarter of 2026. This initiative represents a significant milestone in the Group's Green Logistics development and will serve as a model for future expansion to other transportation routes.

Social Dimension

The Group recognizes the importance of creating shared value for society and local communities through activities aligned with the Company's logistics expertise and operational role.

- In 2026, the Group plans to support educational initiatives within local communities to enhance learning opportunities for youth. The target areas include communities located along the Company's operational routes, as well as collaborations with government agencies that promote and support educational development, thereby contributing value to society and local communities.
- In terms of employee care and development, the Group is committed to fostering a safe and appropriate working environment while continuously supporting the enhancement of employees' knowledge, skills, and capabilities. These efforts aim to improve operational efficiency and strengthen employee engagement with the organization.
- Looking ahead, the Group aims to further develop its social responsibility and employee care initiatives in alignment with stakeholder expectations while leveraging the Company's core competencies to create shared value and deliver sustainable long-term positive outcomes.

Governance Dimension

The Group places strong emphasis on good corporate governance by adhering to the principles of transparency, accountability, and business ethics in order to build confidence among all stakeholder groups.

- The Company has continuously promoted awareness of corporate governance and business ethics through training programs provided to employees at all levels to ensure that business operations are conducted in accordance with good corporate governance principles.
- The Group remains committed to enhancing its governance framework, risk management processes, and internal control systems in line with international best practices to support stable and sustainable business growth.
- In addition, the Company plans to establish and further develop a quality management system in accordance with ISO 9001 standards, with implementation expected within the second quarter of

2026. This initiative aims to enhance operational efficiency, strengthen service standards, and build long-term confidence among customers and stakeholders.

The Group remains committed to continuously advancing its sustainability initiatives across all dimensions, including environmental, social, and governance aspects, in order to achieve balanced business growth, meet stakeholder expectations, and strengthen the organization's long-term sustainable competitiveness.

Yours sincerely,

Euroasia Total Logistics Public Company Limited

Mr. Pornchai Daungkeowuttikri

Chief Executive Officer