

Euroasia Total Logistics Public Company Limited

Management Discussion and Analysis

For the year ended December 31, 2025

(1) Business Overview



Euroasia Total Logistics Public Company Limited (Stock Symbol: ETL) focuses on cross-border road transportation between China and Southeast Asia and is expanding into Europe through multimodal transport solutions. With over 10 years of experience in fast, flexible, and efficient cross-border trucking operations, the Company is well-positioned to support business expansion. The Company remains committed to responding to changes and evolving customer demands by maximizing the utilization of available resources, integrating innovative technologies, and delivering professional services, in order to continuously and sustainably enhance the value of the services delivered to customers.

**Management Discussion and Analysis**

Euroasia Total Logistics Public Company Limited (“ETL”) reported its operating results for the year 2025, with service revenue of THB 1,738 million, gross profit of THB 114 million, and net profit attributable to the Company’s shareholders of THB 21.5 million.

## (2) Summary of Significant Events and Developments

During the fourth quarter of 2025 through mid-first quarter of 2026, transportation volume remained at a high level, averaging 2,000 trips per month. Most routes originated from China to Southeast Asia. Land-to-Sea cargo volume increased in line with customer demand for road transportation (Malaysia – Thailand – Vietnam) connecting to ocean freight at Hai Phong Port (Hải Phòng).

The Group expanded its temperature-controlled (Cold Chain) services between Thailand–Malaysia and Thailand–Vietnam, with the number of trips increasing by 200% compared to the previous year.

The Company relocated its head office to Yannawa District, Bangkok, in November 2025 and commenced shared service arrangements with the parent company in the areas of Human Resources, Sustainability Development, IT, and Internal Audit, in order to enhance organizational sustainability and improve cost and expense management efficiently.

In terms of technology, the Company increased investment and development in its accounting system to integrate data with the Transportation Management System (TMS) through automation, enhancing operational capability, reducing duplicate data entry, improving closing efficiency, and enabling accurate and timely data analysis. In addition, the Group will further develop the “OPS Connect” technology platform under the Connected Intelligence concept, applying it across the network as a connection point with affiliated units and customer services, enabling real-time transportation tracking through digital systems and facilitating efficient transportation planning.

## (3) Operating Performance and Financial Position

### 3.1 Past Operating Results

For the year 2025, the Group generated service revenue of THB 1,738 million, representing an increase of 37% compared to 2024. In 2025, the Group recorded an approximately 42% increase in the number of transportation trips compared to 2024. Cross-border trade data showed that exports from Thailand increased by 54%, exports from Malaysia and Singapore increased by 27%, and exports from China increased by 130%.

However, the Group’s gross profit margin decreased by approximately 2.2% compared to 2024. The main reasons were intensified market competition, a 15% increase in empty trips compared to the previous year, and the Group’s pricing strategy to penetrate new customer segments.

## Summary of the Group's Operating Performance for 2024 and 2025

Consolidated Comprehensive Income Statement (Unit: Million Baht)	For the 12-month period		YoY	
	2024	2025	Increase (Decrease)	
Service income	1,266.2	1,738.0	471.8	37%
Cost of services	(1,154.7)	(1,623.6)	468.9	41%
Gross profit	111.5	114.4	2.9	3%
Other income	6.6	19.1	12.5	189%
Selling expenses	(4.4)	(5.4)	1.0	23%
Administrative expenses	(116.7)	(118.3)	1.6	1%
Reversal of (loss on) expected credit losses (ECL)	(11.1)	7.0	18.1	163%
Gain (loss) on exchange – net	(13.6)	(8.5)	5.1	38%
Profit before finance costs and income tax	(27.7)	8.3	36.0	130%
Financial costs	(7.3)	(8.1)	(0.8)	11%
Income tax expenses	1.9	2.2	0.3	16%
Net profit (loss)	(33.1)	2.4	35.5	107%
Profit attribution:				
Attributable to equity holders of the Company	(29.3)	21.5	50.8	173%
Attributable to non-controlling interests of the subsidiary	(3.8)	(19.1)	(15.3)	(403%)
Gross profit margin	8.80%	6.58%	-2.22%	
Net profit margin	(2.61%)	0.14%	2.75%	

### Service Income

For the years 2025 and 2024, the Group generated service income of THB 1,738 million and THB 1,266 million, respectively, representing an increase of 37%. The increase was attributable to a 42% rise in transportation trips compared to the previous year. The primary drivers were the expansion of import and export activities in both standard containers and temperature-controlled (Cold Chain) shipments, particularly from the fruit export sector and the food and beverage (dairy products) sector. In addition, the increased backhaul volume to China contributed to higher transportation activity, along with the expansion into new customer segments, including customers requiring Multimodal Strategy – Land to Sea and Land to Air services.

### Gross Profit and Gross Profit Margin



From the chart above, it can be observed that the Group's gross profit margin in 2025 decreased by 2.22% due to intensified price competition in the market and increased imbalance trade (Southbound – transportation trips originating from China increased by 130% compared to the previous year). The expansion into new customer segments under the 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 2025, the Company's subsidiary in China received a monetary award of THB 10 million from the Chinese government, as it was ranked among the top cross-border logistics companies with the highest transportation volume in China during the second quarter of 2025.

#### Selling and Administrative Expenses

The Group's selling and administrative expenses for 2025 increased by THB 2.6 million compared to the previous year. The primary reasons were expenses related to the relocation of the new head office, statutory labor compensation, and the write-off of non-transferable fixed assets. As a result, selling and administrative expenses for 2025 increased compared to the same period of the previous year. However, excluding such one-time expenses, the Group managed its selling and administrative expenses efficiently, achieving a reduction of THB 5 million (2%).

#### Reversal of (Loss on) Expected Credit Losses

In 2024, the Group recorded expected credit losses of THB 11 million from receivables outstanding for more than two years. However, in 2025, the Group closely monitored debt collection efforts and received partial payments from such debtors. Accordingly, the Group recorded a reversal of expected credit losses amounting to THB 7 million.

#### Gain (Loss) on Foreign Exchange

In 2025, the Group's foreign exchange loss decreased by THB 5.1 million (38%) compared to the previous year. This was attributable to improved foreign exchange risk management during the current year. The Group continuously monitored and assessed potential impacts and implemented measures to mitigate the effects of volatility in foreign currency exchange rates.

#### Finance Costs

The Group's finance costs increased by THB 0.8 million (11%) compared to the previous year. This was mainly due to interest expenses recognized from lease agreements, as the Group commenced several new lease contracts in 2025. As a result, interest on lease liabilities increased by THB 1.6 million (34%). However, interest expenses on borrowings from financial institutions decreased by THB 0.8 million (32%) due to the continued repayment of bank loans.



### Net Profit

The Group reported a net profit of THB 2.41 million for 2025, compared to a net loss of THB 33.13 million in the previous year, representing growth of more than 107%. The improvement was driven by a 37% increase in revenue in line with higher transportation volume and an approximately 8% increase in revenue per trip. At the same time, the Company improved cost control efficiency, with administrative expenses decreasing (after excluding one-time expenses incurred during the year), and other income increasing by THB 10 million. In addition, the effective tax rate decreased due to the recognition of deferred tax assets, resulting in a significant overall increase in net profit.

### Net Profit Attributable to Equity Holders of the Company

The Group reported net profit attributable to equity holders of the Company of THB 21.5 million for 2025, compared to a net loss attributable to equity holders of the Company of THB 29.3 million in 2024 (an increase of THB 50.8 million, or 173%).

## 3.2 Financial Position Analysis of the Group

Statement of Financial Position	Consolidated Financial Statements as at			
	31 – December – 2024		31 – December - 2025	
	Million Baht	Percentage (%)	Million Baht	Percentage (%)
Assets				
Cash and cash equivalents	81.58	8.38%	131.66	11.13%
Other financial assets measured at fair value through profit or loss	85.61	8.79%	28.38	2.40%
Trade and other current receivables	300.21	30.84%	444.07	37.53%
Contract assets	40.12	4.12%	144.39	12.20%
Other current assets	35.20	3.62%	29.90	2.53%
Building improvements and equipment	187.26	19.24%	158.57	13.40%
Right-of-use assets – net	141.96	14.58%	136.82	11.56%
Other non-current assets	101.58	10.43%	109.55	9.26%
<b>Total assets</b>	<b>973.52</b>	<b>100.00%</b>	<b>1,183.34</b>	<b>100.00%</b>

Assets

As of December 31, 2025, the Group had total assets of THB 1,183.34 million, representing an increase of THB 209.82 million, or 22%, compared to December 31, 2024. The increase was mainly attributable to higher trade and other current receivables, as well as contract assets, resulting from increased transportation volume and service income in 2025 compared to the previous year.



Statement of Financial Position	Consolidated Financial Statements as at			
	31 – December – 2024		31 – December – 2025	
	Million Baht	%	Million Baht	%
Liabilities and Shareholders' Equity				
Trade and other payables	240.63	24.72%	501.13	42.35%
Loans from financial institutions	33.05	3.40%	10.76	0.91%
Lease liabilities	112.44	11.55%	84.79	7.17%
Other current liabilities	3.64	0.37%	9.41	0.80%
Non-current liabilities	7.86	0.81%	6.98	0.59%
Total shareholders' equity	575.90	59.16%	570.27	48.19%
Total liabilities and shareholders'	973.52	100.00%	1,183.34	100.00%
<b>Total liabilities and shareholders' equity</b>	<b>973.52</b>	<b>100.00%</b>	<b>1,183.34</b>	<b>100.00%</b>

#### Liabilities and Shareholders' Equity

As of December 31, 2025, the Group had total liabilities of THB 613 million, representing an increase of THB 215 million (54%) compared to December 31, 2024. The increase was mainly due to higher trade and other payables resulting from the increased volume of transportation and service activities.

As of December 31, 2025, shareholders' equity decreased by THB 5.63 million compared to December 31, 2024, primarily due to non-controlling interests recognized in 2025. However, excluding non-controlling interests, the Group's shareholders' equity increased by THB 13 million (2.3%).

### 3.3 Liquidity Analysis

(Unit: Million Baht)	For the 12-month period	
	Year 2024	Year 2025
Cash at the beginning of the period: 1 January	89.18	81.58
Net cash provided by / (used in) operating activities	110.69	103.38
Net cash provided by / (used in) investing activities	(12.98)	49.84
Net cash provided by / (used in) financing activities	(83.08)	(83.86)
Effect of exchange rate changes on cash and cash equivalents	(22.24)	(19.28)
Net increase / (decrease) in cash and cash equivalents	14.63	69.36
Cash at the end of the period: 31 December	81.57	131.66

In 2025, the Group generated net cash from operating activities of THB 103.38 million, representing a decrease of THB 7.31 million (-6.6%) compared to the same period of the previous year. Net cash provided by (used in) investing activities amounted to THB 49.84 million, an increase of THB 62.82 million (+484%) compared to the previous year. The Group recorded net cash used in financing activities of THB 83.86 million, which was relatively similar to the previous year, increasing by THB 0.78 million (+0.94%). These financing cash outflows comprised repayments of borrowings from financial institutions, repayments of lease liabilities, and interest payments on bank loans and lease liabilities.

As of December 31, 2025, cash and cash equivalents amounted to THB 131.66 million, representing an increase of THB 50.08 million (+61%) compared to December 31, 2024.

### 3.4 Financial Ratios

	Year 2024	Year 2025
Gross profit margin	8.81%	6.58%
Net profit margin	-2.61%	0.14%
Return on equity	-5.09%	3.75%
Return on assets	-3.40%	0.22%
Debt-to-equity ratio	0.69	1.08
Interest-bearing debt-to-equity ratio	0.25	0.17

Based on the above financial ratios, overall, the Group's financial position and operating performance have improved and strengthened compared to the previous year.

#### (4) Business Trends in 2026

Cross-border transportation between Thailand–China–ASEAN is expected to continue growing, particularly via road and rail routes. Growth will be volume-driven, especially from the e-commerce sector; however, revenue growth may face pressure from intensified competition resulting from the slowdown in sea freight transportation. The strategic plan for 2026 will therefore focus on cost optimization strategies, technology investment to enhance efficiency, and expansion of multimodal business networks.

For 2026, ETL's strategy will emphasize the expansion of temperature-controlled logistics (Cold Chain) to support fruit and beverage shipments between Thailand–China and Malaysia. The Group plans to integrate Total Supply Chain services by offering comprehensive end-to-end solutions, including transportation and cold storage services. The Company will also leverage transportation management technology to reduce empty trips through Smart Logistics Technology, using analytics to develop proactive strategies to increase backhaul volumes. In the previous year, the Group expanded transportation routes from China to Central Asia and Russia, with continuously increasing volumes, and strengthened its operational presence by establishing a representative office in Khorgas (the border between China and Kazakhstan). The Group will continue to implement Multimodal Services strategies to improve cost efficiency and enhance the integration of Land-to-Sea and Land-to-Air transportation, thereby increasing service value for customers in a continuous and sustainable manner. In addition, the Group is developing the "OPS Connect" technology platform to integrate the Connected Intelligence concept across its network and key stakeholder touchpoints, including the Customer Connect Portal project, which enables real-time shipment tracking, digital booking, and efficient transportation planning. This initiative supports smarter automation, enhanced governance, and stronger collaboration.

In summary, the Group will focus on developing sustainable logistics management capabilities and plans to undertake the following initiatives:

1. Emphasize integrated Cold Chain Logistics services.
2. Ensure continuous and sustainable volume growth on China–Central Asia–Russia routes.
3. Implement Multimodal Services strategies and target customers requiring Land-to-Sea and Land-to-Air transportation.
4. Reduce empty trips resulting from imbalance trade through AI Smart Logistics.

5. Improve overall operational cost management to enhance performance and maintain long-term competitiveness (Sustainable Growth).

### Key Sustainability Initiatives

The Group has established a sustainability strategy by integrating ESG principles into its core business operations, as follows:

#### Environmental Dimension

The Group has implemented operational measures to reduce environmental impact, including:

1. Carbon footprint management. The Company has received the CFO Certificate by TGO and ISO 14064-1:2018 Certification (Greenhouse Gas Certification).
2. A plan to deploy eight EV trucks for cross-border transportation along the route between the Thai border (Nakhon Phanom checkpoint), Laos (Naphao checkpoint), and Vietnam (Chalo checkpoint), commencing in Q2/2026.

#### Social Dimension

Key social contributions in 2025 include:

1. Supporting the construction of a library for Wat Bang Phueng School in Chachoengsao Province.
2. Providing transportation support for essential consumer goods to assist flood-affected communities in Songkhla Province at the end of 2026.

#### Governance Dimension

The Group continues to strengthen its corporate governance standards in accordance with good governance principles, including promoting awareness for example, training, of the Code of Conduct among employees at all levels, in order to build trust and confidence among all stakeholders.

Yours sincerely,

Euroasia Total Logistics Public Company Limited

Mr. Pornchai Daungkeowuttikri

Chief Executive Officer