

15 May 2026

No. SINO IR 002/2569
Subject Management Discussion and Analysis for the 1st quarter of 2026
To The President, The Stock Exchange of Thailand

We, Sino Logistics Corporation Public Company Limited ("the company"), are pleased to provide you our management discussion and analysis for the 1st quarter of 2026, as follows:

Business Overview

In the 1st quarter of 2026, the international logistics and transportation industry continued to face volatility from a slowing global economy, geopolitical uncertainties, and average ocean freight rates that adjusted downward from elevated levels in the prior year, resulting in lower revenue for sea freight operators compared to the same period of the previous year.

Under these market conditions, the Company recorded service income of THB 599 million, a decrease of THB 209 million, or 26%, compared to the same period of the previous year, primarily attributable to lower revenue from the Sea Freight business in line with the decline in average ocean freight rates from elevated prior-year levels. Nevertheless, the Company was able to sustain continuous growth in sea freight shipment volume (TEU Volume), as well as effectively manage service costs, resulting in a gross profit margin improvement to 17% from 14% in the same period of the previous year.

At the same time, the Company continued to advance business expansion and diversify its revenue structure, particularly in Air Freight and Logistics Support services, both of which recorded growth compared to the same period of the previous year, contributing to greater stability in the Company's overall operating performance and reducing dependence on sea freight revenue alone.

In terms of international business expansion, the Company continued to execute its overseas network development strategy. During this quarter, the Company made an additional capital contribution of USD 200,000, or approximately THB 5.1 million, in WLT Logistics Inc. dba World Link Transport Group ("WLT"), a logistics service provider in the United States, increasing its registered capital from USD 100,000 to USD 300,000 to support business expansion plans and enhance service capabilities in the U.S. market. SNC Cargo Services Co., Ltd. ("SNC"), a subsidiary of the Company, invested at an 80% equity stake and has fully paid up the additional capital contribution. Furthermore, the Company has begun recognizing its share of profit from joint venture entities in Malaysia and Vietnam, which are increasingly contributing to the Company's operating results.

Financial Performance

Statement of comprehensive income Unit : Million Baht	Q1/2025	Q4/2025	Q1/2026	YoY		QoQ	
				Change		Change	
Service income	808	589	599	-209	-26%	9	2%
Other income	12	1	2	-10	-82%	1	96%
Total revenues	820	590	601	-219	-27%	10	2%
Cost of services	693	489	499	-194	-28%	9	2%
Selling expenses	36	31	30	-6	-18%	-2	-6%
Administrative expenses	55	64	67	12	22%	4	6%
Loss (Gain) on Exchange	-	-	-	-	-	-	-
Total expenses	784	584	596	-188	-24%	11	2%
Operating Profit	36	6	5	-30	-86%	-1	-17%
Share of profit from investment in Joint Venture	0	1	1	1	351%	0	-24%
Finance Income	0	0	0	0	-36%	0	-70%
Finance Cost	(2)	(3)	(3)	1	26%	0	-13%
Profit before income tax expenses	34	4	3	-30	-91%	-1	-25%
Income tax expenses	7	1	1	-5	-80%	0	57%
Profit for the period	27	3	2	-25	-94%	-2	-47%

Financial Performance Analysis

Service Income

In the 1st quarter of 2026, the Company recorded service income of THB 599 million, a decrease of THB 209 million, or 26%, from the same period of the previous year. The decline was primarily attributable to lower revenue from the Sea Freight business, which remains the Company's primary revenue contributor, in line with average ocean freight rates that adjusted downward from elevated prior-year levels. Nevertheless, the Company was able to sustain continuous growth in sea freight shipment volume (TEU Volume).

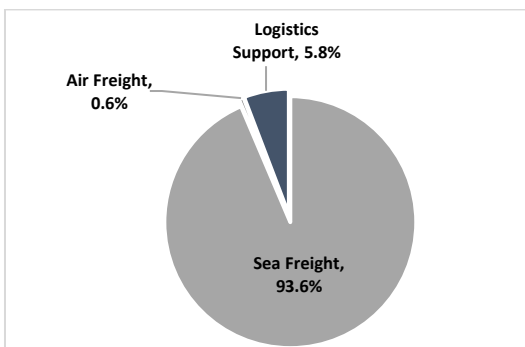
Revenue from the Sea Freight segment in the 1st quarter of 2026 was THB 522 million, a decrease of THB 234 million, or 31%, from the same period of the previous year, consistent with the downward trend in global freight rates. Nevertheless, the Company recorded sea freight shipment volume (TEU Volume) of 12,801 TEUs, an increase from 11,617 TEUs in the 1st quarter of 2025, or an increase of 10%. The Company was able to retain its existing customer base and continue expanding shipment volumes, despite ongoing market volatility.

Meanwhile, revenue from the Air Freight segment was THB 15 million, an increase of THB 10 million, or 200%, from the same period of the previous year. Although air freight shipment volumes in this quarter declined compared to the same period last year due to structural adjustments and a more selective approach to cargo mix with improved margin suitability, the Company was able to expand its customer base and continue recognizing revenue from AS Logistics Co., Ltd. (ASL). For the Logistics Support segment, the Company recorded revenue of THB 62 million, an increase of THB 15 million, or 32%, from the same period of the previous year, supported by growth in the warehousing business, domestic transportation, and related logistics services.

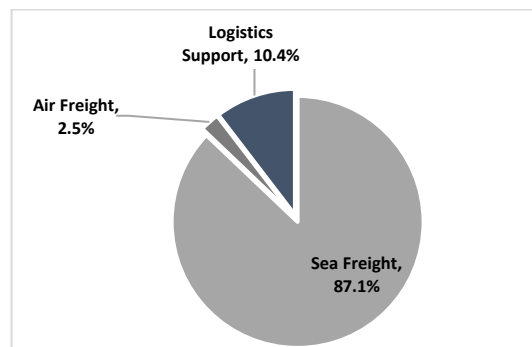
For the 1st quarter of 2025 and 2026, the Company's service income classified by type of service is as follows:

Service Income Unit : Million Baht	Q1/2025	Q4/2025	Q1/2026	YoY		QoQ	
				Change		Change	
■ Sea Freight Service	756	513	522	-234	-31%	9	2%
■ Air Freight Service	5	19	15	10	200%	-4	-21%
■ Logistics support Service	47	57	62	15	32%	5	9%
Total Service income	808	589	599	-209	-26%	10	2%

Service income structure Q1/2025



Service income structure Q1/2026



Remark: Percentage of Service income

Other income

In the 1st quarter of 2026, the Company recorded other income of THB 2 million, a decrease of THB 10 million, or 82%, from the same period of the previous year. The primary reason was that in the 1st quarter of 2025, the Company recognized a gain from the disposal of an asset (land), which was a one-time gain, resulting in the prior-year comparison base being higher than normal.

Cost of services Unit : Million Baht	Q1/2025	Q4/2025	Q1/2026	YoY		QoQ	
				Change		Change	
Service income	808	589	599	-209	-26%	10	2%
Cost of services	693	489	499	-194	-28%	10	2%
Gross Profit	115	100	100	-15	-13%	0	0%
Gross Profit Margin	14%	17%	17%				

Cost of services

In the 1st quarter of 2026, the Company's cost of services was THB 499 million, a decrease of THB 194 million, or 28%, from the same period of the previous year, in line with the decline in service income, particularly from the Sea Freight business, which was impacted by lower freight rates compared to the prior year.

Gross Profit

In the 1st quarter of 2026, the Company recorded gross profit of THB 100 million, a decrease of THB 15 million, or 13%, from the same period of the previous year. The decline was primarily attributable to lower revenue from the Sea Freight business, driven by the softening of global ocean freight rates compared to the prior year. Nevertheless, the Company was able to maintain gross profit at a level close to the preceding quarter and improved its gross profit margin to 17% from 14% in the same period of the previous year, reflecting cost management efficiency, service quality management, and an increased proportion of revenue from higher-margin businesses.

Selling Expenses

In the 1st quarter of 2026, selling expenses were THB 30 million, a decrease of THB 6 million, or 18%, from the same period of the previous year. The reduction was primarily attributable to lower freight-related operating expenses and marketing activities, such as commissions paid to sales personnel and sales agents (Sales Agents), which adjusted in line with revenue levels and market conditions. The Company also maintained effective control over selling-related expenses.

Administrative expenses

In the 1st quarter of 2026, administrative expenses were THB 67 million, an increase of THB 12 million, or 22%, from the same period of the previous year. The increase was primarily attributable to higher personnel expenses, information technology costs, and expenses related to supporting business expansion in overseas markets and the ASEAN region, in order to accommodate business growth and develop long-term operational infrastructure. The Company remains committed to maintaining administrative expenses at an appropriate level in line with the Company's business growth trajectory.

Finance cost

In the 1st quarter of 2026, finance costs were THB 3 million, an increase of THB 1 million, or 50%, from the same period of the previous year. The increase was primarily attributable to higher interest charges recognized under the financial reporting standard relating to lease liabilities (Lease Liabilities) for equipment and ISO Tank containers, which form part of the Company's business expansion. These costs do not represent interest expenses from financial borrowings.

Net Profit

In the 1st quarter of 2026, the Company recorded net profit of THB 2 million, a decrease of THB 25 million, or 93%, from the same period of the previous year. The decline was primarily due to lower revenue from the Sea Freight business in line with softening freight rates, combined with higher administrative expenses to support business expansion and future investment. Nevertheless, the Company maintained its ability to generate gross profit and sustain a sound financial position through continued cost management and ongoing diversification of revenue streams.

Financial Position

Consolidated Statement of Financial Position	December 31, 2025		March 31, 2026		Change	
	THB million	%	THB million	%	THB million	%
Total assets	1,379	100%	1,371	100%	-8	-0.6%
Total liabilities	485	35%	474	35%	-11	-2.3%
Total shareholder's equity	894	65%	897	65%	3	0.3%

Assets

As of December 31, 2025, and March 31, 2026, the Company's total assets were THB 1,379 million and THB 1,371 million, respectively, a decrease of THB 8 million, or 0.6%, from year-end 2025. The changes were as follows:

Current assets amounted to THB 1,020 million, an increase of THB 11 million from year-end 2025, primarily driven by an increase in cash and cash equivalents, which rose from operating cash flows, as well as an increase in trade receivables and other current receivables in line with business activities during the period. Meanwhile, prepaid service expenses declined as costs and expenses were recognized in line with the normal operating cycle of the business, while other current financial assets remained at a level close to the prior year-end.

For non-current assets, the Company had non-current assets of THB 351 million, a decrease of THB 19 million from December 31, 2025. The decline was primarily attributable to a reduction in right-of-use assets through depreciation recognized over the lease term, as well as a decrease in leasehold improvements and equipment from normal depreciation recognition.

Liabilities

As of December 31, 2025, and March 31, 2026, the Company's total liabilities were THB 485 million and THB 474 million, respectively, a decrease of THB 11 million, or 2.3%, from year-end 2025. The changes were as follows:

Current liabilities amounted to THB 342 million, a slight increase of THB 3 million from year-end 2025, primarily due to an increase in trade and other current payables consistent with business operations and the Company's normal payment cycle. Advance receipts and deferred income decreased from the progressive recognition of revenue as services were rendered during the period, while other current financial liabilities increased from the change in fair value of derivative instruments in line with market conditions.

For non-current liabilities, the Company had non-current liabilities of THB 132 million, a decrease of THB 14 million from December 31, 2025, primarily attributable to the reduction in lease liabilities through progressive repayment of lease obligations during the period.

Shareholder's equity

As of December 31, 2025, and March 31, 2026, the Company's total shareholders' equity was THB 894 million and THB 897 million, respectively, an increase of THB 3 million, or 0.3%, from year-end 2025. The increase was primarily attributable to net profit for the period of THB 2 million, as well as other comprehensive income from foreign exchange translation differences arising from the conversion of financial statements of overseas subsidiaries, resulting in an increase in other components of shareholders' equity during the period. In addition, in the 1st quarter of 2026, the Company recorded an increase in non-controlling interests from the capital increase of WLT during the period.

Factors That May Affect Future Operations or Growth
1. Freight Rate Volatility and Capacity Availability

The Company's core revenue is derived from the Sea Freight business, which may be affected by fluctuations in freight rates and international trade volumes. Freight rates depend on global supply-demand dynamics, geopolitical factors, and capacity management strategies of shipping lines. To mitigate such volatility, the Company focuses on route diversification, expansion into new markets, and increasing the proportion of value-added services such as ISO Tank and Logistics Support, in order to stabilize revenue streams.

2. Geopolitical Uncertainty

Conflicts in certain regions, such as the war in the Middle East, Red Sea disruptions, or the Strait of Hormuz, may result in shipping lines adjusting routes, leading to extended transit times and increased transportation costs. At the same time, international trade tensions may impact global trade volumes in certain periods. The Company closely monitors developments and maintains relationships with multiple shipping lines to mitigate risks related to space availability and cost fluctuations.

3. Economic Conditions of Key Trading Partners

Economic conditions and interest rate trends in major trading partner countries, particularly the United States, may influence export volumes and demand for logistics services. Although short-term volatility may persist, the gradual recovery in global trade remains a supportive factor over the medium term.

4. Foreign Exchange Fluctuations

A portion of the Company's revenue and costs is denominated in foreign currencies, particularly U.S. dollars. Exchange rate fluctuations may affect reported revenue, costs, and profitability. The Company manages such risks through selective use of forward foreign exchange contracts and by aligning revenue and expense structures in the same currency (natural hedge), thereby reducing exposure to currency volatility.

Strategy and Outlook

The Company remains focused on increasing the proportion of revenue from businesses with continuity and value-added characteristics, such as warehousing, Logistics Support, and integrated logistics services, alongside the development of technology systems and the Freight Cloud platform to enhance operational efficiency and support the Company's long-term business growth. In addition, the Company remains focused on building synergy among businesses within the Group, across Sea Freight, Air Freight, and Multimodal Transport segments, in order to strengthen competitive capabilities and expand the customer base over the long term.

Sincerely yours

(Mr. Nanmanus Witthayasakpant)

Chief Executive Officer