

20 February 2026

No. SINO IR 001/2569

Subject Management Discussion and Analysis for the 4<sup>th</sup> quarter of 2025 and the year ended 2025

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 4<sup>th</sup> quarter of 2025 and the year ended 2025, as follows:

### Overview of Economic and Industry Conditions Affecting Operations

In 2025, Thailand’s economy expanded by 2.4% from the previous year, according to the Office of the National Economic and Social Development Council (NESDC). The growth was primarily supported by the continued recovery in merchandise exports and tourism, while private consumption and government expenditure also contributed to overall economic expansion.

Merchandise exports in 2025 increased by 12.7%, driven particularly by improvements in industrial products and electronic goods in line with the global technology cycle. Imports rose by 13.0%, reflecting the gradual recovery in economic activities. Thailand recorded a trade surplus of USD 23.3 billion (approximately THB 749.8 billion) during the year.

Globally, Thailand’s major trading partners showed moderate expansion. The U.S. economy grew by approximately 2.2%–2.4%, while China’s economy expanded by 5.0%. Global inflation continued to ease and interest rate trends became more stable. Nevertheless, certain risk factors remain, including U.S. trade policy measures and geopolitical uncertainties, which may affect global trade dynamics in the periods ahead.

For the Sea Freight industry, the gradual recovery in global trade, particularly Intra-Asia trade, supported demand for shipping services. Although competition remained intense due to increased vessel supply in recent years, freight rates showed signs of stabilization compared to the volatile levels of the previous year. This improving balance enabled operators to manage costs and optimize route planning more effectively.

Under these circumstances, the Company continued to focus on diversifying export markets, particularly routes to the United States, Asia, and other regions, while increasing the proportion of value-added services. This strategic direction aims to capture the recovery in export activities and enhance the stability of the Company’s long-term operating performance

## Summary of Key Developments in 2025

In 2025, the Company achieved several significant developments in business expansion and strategic investments aimed at strengthening its competitive capabilities and supporting long-term growth, as follows:

**1. Capital Increase in Subsidiary (SNC)**

The Company increased the registered capital of SNC Cargo Services Co., Ltd. from THB 1 million to THB 56 million to enhance liquidity and support the expansion of its international freight forwarding operations.

**2. Investment in Air Freight Business (ASL)**

A subsidiary acquired a 100% equity stake in A.S. Logistics Co., Ltd., with an investment value of THB 35 million. This transaction marked the Company's full entry into the Air Freight segment and enhanced service integration across Sea Freight, Air Freight, and Logistics Support, creating operational synergies across business units.

**3. Expansion of Overseas Investments**

The Company expanded its international footprint through an 80% equity investment in WLT Logistics Inc. dba World Link Transport Group in the United States and a 60% equity investment in SINO WORLDWIDE LOGISTICS VIETNAM CO., LTD. These investments aim to strengthen the Company's global network and support cross-border logistics capabilities.

**4. Development of Logistics Support Business**

The Company continued to expand its warehousing and supporting logistics services to increase the proportion of higher-margin revenue streams and reduce exposure to volatility in the Sea Freight segment.

## Business Overview

In the fourth quarter of 2025, the Company recorded total revenue of THB 590 million, representing a decrease of 27% year-on-year and 21% quarter-on-quarter. The decline was primarily attributable to lower revenue from the Sea Freight segment, which continued to be affected by freight rates remaining at relatively low levels compared to the previous year, despite early signs of volume recovery on certain trade routes.

Nevertheless, the Company maintained a gross profit margin of 17%, higher than the 14% recorded in the same period last year. This reflects continued efficiency in cost management and disciplined expense control.

For the full year 2025, the Company generated total revenue of THB 2,842 million, a decrease of 23% from the previous year. Revenue from the Sea Freight business declined in line with global market conditions. In contrast, revenue from the Air Freight and Logistics Support segments increased significantly. Air Freight revenue grew by 144%, primarily driven by the full-year revenue recognition from the consolidation of ASL. Meanwhile, Logistics Support revenue increased by 68%, supported by customer base expansion and the growth of higher value-added services.

Although total revenue for the year declined, the Company effectively managed service costs, resulting in an improvement in gross profit margin to 16% in 2025, compared to 13% in the previous year. The improvement reflects a more balanced revenue structure with a higher proportion of margin-enhancing services, together with prudent management of freight-related costs and operating expenses.

In 2025, the Company reported a net profit of THB 64 million, compared to THB 88 million in the prior year. Despite the decline, overall performance continues to demonstrate the Company's ability to maintain profitability amid market volatility and provides a solid foundation for future growth, particularly from the synergy of the Air Freight business and the expansion of warehousing and logistics support services, where benefits are becoming increasingly evident.



**Financial Performance**

Statement of comprehensive income	Q4/2024	Q3/2025	Q4/2025	YoY		QoQ	
				Change	Change	Change	Change
Unit : Million Baht							
Service income	811	742	589	-221	-27%	-153	-21%
Other income	0	2	1	1	966%	-1	-36%
<b>Total revenues</b>	<b>812</b>	<b>744</b>	<b>590</b>	<b>-220</b>	<b>-27%</b>	<b>-153</b>	<b>-21%</b>
Cost of services	698	622	489	-208	-30%	-133	-21%
Selling expenses	40	35	31	-8	-21%	-4	-10%
Administrative expenses	52	58	64	12	23%	5	9%
Loss (Gain) on Exchange	(18)	0	0	18	-100%	-	#DIV/0!
<b>Total expenses</b>	<b>771</b>	<b>716</b>	<b>584</b>	<b>-186</b>	<b>-24%</b>	<b>-132</b>	<b>-18%</b>
<b>Operating Profit</b>	<b>40</b>	<b>28</b>	<b>6</b>	<b>-34</b>	<b>-85%</b>	<b>-22</b>	<b>-78%</b>
Share of profit from investment in Joint Venture	1	1	1	1	105%	-0	-8%
Finance Income	1	0	0	-1	-81%	0	50%
Finance Cost	2	3	3	1	52%	0	12%
<b>Profit before income tax expenses</b>	<b>40</b>	<b>26</b>	<b>4</b>	<b>-36</b>	<b>-90%</b>	<b>-22</b>	<b>-84%</b>
Income tax expenses	8	5	1	-7	-89%	-4	-83%
<b>Profit for the period</b>	<b>32</b>	<b>21</b>	<b>3</b>	<b>-29</b>	<b>-90%</b>	<b>-18</b>	<b>-85%</b>

Statement of comprehensive income	2024	2025	YoY	
			Change	Change
Unit : Million Baht				
Service income	3,695	2,827	-867	-23%
Other income	5	15	10	183%
<b>Total revenues</b>	<b>3,700</b>	<b>2,842</b>	<b>-858</b>	<b>-23%</b>
Cost of services	3,209	2,388	-821	-26%
Selling expenses	142	134	-8	-6%
Administrative expenses	207	232	26	13%
Loss (Gain) on Exchange	22	-	-22	-100%
<b>Total expenses</b>	<b>3,580</b>	<b>2,754</b>	<b>-825</b>	<b>-23%</b>
<b>Operating Profit</b>	<b>120</b>	<b>88</b>	<b>-32</b>	<b>-27%</b>
Share of profit from investment in Joint Venture	1	3	2	325%
Finance Income	1	1	-0	-23%
Finance Cost	13	12	-1	-8%
<b>Profit before income tax expenses</b>	<b>109</b>	<b>80</b>	<b>-29</b>	<b>-27%</b>
Income tax expenses	22	16	-5	-25%
<b>Profit for the period</b>	<b>88</b>	<b>64</b>	<b>-24</b>	<b>-27%</b>

**Financial Performance Analysis**

**Service Income**

In the fourth quarter of 2025, the service income was THB 589 million, a decrease of 27% year-on-year and 21% quarter-on-quarter. The decline was mainly due to lower revenue from the Sea Freight segment, which remains the Company's core revenue contributor. Freight rates continued to remain at relatively low levels compared to the previous year, while shipment volumes on certain trade routes have yet to return to normal levels.

In addition, the slowdown in exports from China to the United States, together with the impact of U.S. retaliatory tariff measures on certain Thai exporters, contributed to weaker export volumes in selected product categories during the quarter.

Nevertheless, revenue from the Air Freight segment increased significantly, rising by 500% year-on-year and 243% quarter-on-quarter. The growth was driven by fuller quarterly revenue recognition from ASL, as well as enhanced customer integration between the Sea Freight and Air Freight segments, which created greater cross-selling opportunities. Meanwhile, revenue from Logistics Support continued to grow by 103% year-on-year and 5% quarter-on-quarter, reflecting the strength of this higher-margin and less volatile business segment compared to Sea Freight.

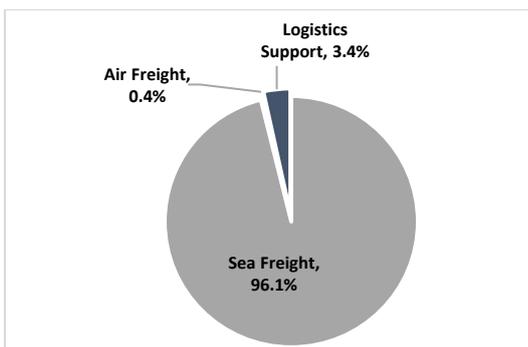
For the full year 2025, total service income was THB 2,829 million, a decrease of 23% from the previous year. Revenue from the Sea Freight segment declined by 27% in line with softer global freight market conditions. However, Air Freight revenue increased by 144%, and Logistics Support revenue grew by 68%, supported by customer base expansion and the development of higher value-added services.

For the fourth quarter and full-year periods of 2024 and 2025, the Company's service income was classified by service type as follows:

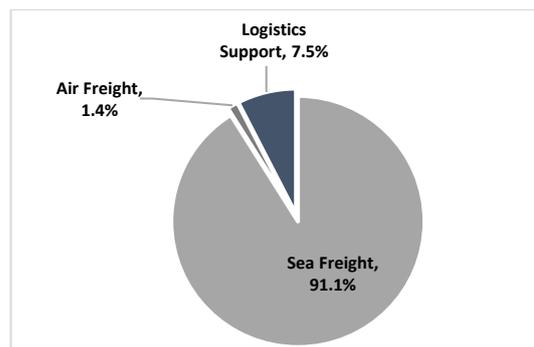
Service Income Unit : Million Baht	Q4/2024	Q3/2025	Q4/2025	YoY		QoQ	
				Change	Change	Change	Change
▪ Sea Freight Service	779	677	506	-273	-35%	-171	-25%
▪ Air Freight Service	4	7	24	20	500%	17	243%
▪ Logistics support Service	30	58	61	31	103%	3	5%
<b>Total Service income</b>	<b>812</b>	<b>744</b>	<b>590</b>	<b>-222</b>	<b>-27%</b>	<b>-151</b>	<b>-20%</b>

Service Income Unit : Million Baht	2024	2025	YoY	
			Change	Change
▪ Sea Freight Service	3,551	2,577	-974	-27%
▪ Air Freight Service	16	39	23	144%
▪ Logistics support Service	127	213	86	68%
<b>Total Service income</b>	<b>3,695</b>	<b>2,829</b>	<b>-866</b>	<b>-23%</b>

Service income structure 2024



Service income structure 2025



Remark: Percentage of Service income

#### Other income

In the fourth quarter of 2025, the other income was THB 1 million, representing an increase of THB 1 million or 98% from the same period of the previous year.

For the full year 2025, total other income was THB 15 million, compared to THB 5 million in the prior year. The increase was primarily attributable to a one-time gain from the sale of land recognized in the first quarter of 2025, as well as gains from investments in debt instruments.

Cost of services	Q4/2024	Q3/2025	Q4/2025	YoY		QoQ	
				Change		Change	
Unit : Million Baht							
Service income	811	742	589	-221	-27%	153	-21%
Cost of services	698	622	489	-208	-30%	-133	-21%
<b>Gross Profit</b>	<b>114</b>	<b>120</b>	<b>100</b>	<b>-14</b>	<b>-12%</b>	<b>-19</b>	<b>-16%</b>
<b>Gross Profit Margin</b>	<b>14%</b>	<b>16%</b>	<b>17%</b>				

Cost of services	2024	2025	YoY	
			Change	
Unit : Million Baht				
Service income	3,695	2,827	-867	-23%
Cost of services	3,209	2,388	-821	-26%
<b>Gross Profit</b>	<b>485</b>	<b>439</b>	<b>-46</b>	<b>-9%</b>
<b>Gross Profit Margin</b>	<b>13%</b>	<b>16%</b>		

### Cost of services

In the fourth quarter of 2025, the cost of services was THB 489 million, a decrease of THB 208 million or 30% from the same period of the previous year, and a decrease of 21% from the previous quarter.

For the full year 2025, cost of services was THB 2,388 million, a decrease of THB 821 million or 26% compared to the prior year. The reduction was primarily due to lower costs in the Sea Freight segment, in line with the softening trend of freight rates during the year.

### Gross Profit

In the 4th quarter of 2025, the gross profit was THB 100 million, a decrease of THB 67 million or 36% from the same period last year. For the full year of 2025, gross profit totaled THB 339 million, a decrease of THB 33 million or 9% year-on-year. The decrease was primarily attributable to lower freight-related costs, while the Company continued to maintain service pricing effectively in line with market conditions, enabling the Company to sustain a healthy gross profit margin throughout the period.

In the fourth quarter of 2025, the gross profit of THB 100 million, a decrease of THB 14 million or 12% from the same period of the previous year, and a decrease of 16% from the previous quarter.

Nevertheless, the gross profit margin improved to 17%, compared to 14% in the fourth quarter of 2024 and 16% in the previous quarter. The improvement reflects effective cost management and a more favorable revenue mix, with a higher proportion of margin-enhancing services, particularly from the Air Freight and Logistics Support segments.

For the full year 2025, total gross profit was THB 439 million, a decrease of THB 46 million from the prior year. However, the full-year gross profit margin improved to 16%, compared to 13% in 2024. This demonstrates the Company's ability to maintain profitability despite the impact of softer freight market conditions on its core Sea Freight business.

### Selling Expenses

In the fourth quarter of 2025, the selling expenses was THB 31 million, a decrease of THB 8 million or 21% from the same period of the previous year, and a decrease of THB 4 million or 10% from the preceding quarter. The decline was in line with lower revenue and gross profit from the Sea Freight segment compared to the previous year, resulting in lower commissions paid to sales personnel and sales agents.

Nevertheless, the Company was able to maintain selling-related expenses at an appropriate level in line with prevailing market conditions.

For the full year 2025, selling expenses was THB 134 million, a decrease of THB 8 million from the prior year. Commission expenses continued to fluctuate in accordance with revenue levels and gross profit performance in each quarter.

#### **Administrative expenses**

In the fourth quarter of 2025, the administrative expenses was THB 64 million, representing an increase of THB 12 million or 23% from the same period of the previous year, and an increase of 9% from the preceding quarter. The increase was primarily attributable to higher personnel expenses and costs associated with supporting business expansion in the ASEAN region, as well as increased information technology expenses to enhance internal systems and improve service quality.

Nevertheless, administrative expenses continued to be managed at an appropriate level in line with the Company's revenue growth and overall business structure.

For the full year 2025, administrative expenses was THB 232 million, an increase of THB 26 million or 13% from the prior year. The increase was partly driven by investments in internal system development and personnel to support the expansion of new services in overseas markets, as well as additional resources required to manage operations amid market volatility.

Despite these increases, the Company maintained prudent cost management and expense control, ensuring that administrative expenses remained aligned with its long-term growth strategy.

#### **Finance cost**

In the fourth quarter of 2025, the finance costs was THB 3 million, representing a slight increase from the same period of the previous year and remaining relatively stable compared to the preceding quarter. The Company did not incur any additional financial borrowings, and finance costs primarily consisted of interest expenses recognized on lease liabilities, particularly those related to equipment and ISO Tank container leases.

For the full year 2025, finance costs was THB 12 million, a decrease of THB 1 million or 8% from the prior year. The reduction was mainly attributable to the gradual decline in interest expenses on lease liabilities as contracts matured, as well as effective management of lease agreements and related assets.

All of the Company's finance costs relate to interest recognized under financial reporting standards for lease liabilities and are not associated with financial borrowings. As a result, the Company maintains a solid financial position with no exposure to interest rate risk from debt financing.

#### **Net Profit**

In the fourth quarter of 2025, the net profit was THB 3 million, a decrease from THB 32 million in the same period of the previous year and from THB 21 million in the previous quarter. The decline was primarily attributable to lower revenue from the Sea Freight segment, as freight market conditions remained soft toward the year-end. As a result, net profit margin for the quarter was 0.5%, compared to 3.9% in the fourth quarter of 2024.

For the full year 2025, the total net profit of THB 64 million, a decrease from THB 88 million in the prior year, or 27% decline. The full-year net profit margin was 2.3%, relatively stable compared to 2.4% in 2024. This reflects the Company's ability to maintain profitability despite lower overall revenue amid volatile market conditions.

The stability in full-year net profit margin was supported by:

- Effective management of freight-related costs.
- Prudent control of selling and administrative expenses; and
- An increased proportion of revenue from higher value-added businesses, particularly Air Freight and Logistics Support.

Overall, although 2025 was a year marked by revenue pressure due to global market conditions, the Company's performance demonstrates the resilience of its cost structure and its ability to sustain stable profitability levels.

## Financial Position

Consolidated Statement of Financial Position	December 31, 2024		December 31, 2025		Change	
	THB million	%	THB million	%	THB million	%
Total assets	1,436	100%	1,379	100%	-57	-4%
Total liabilities	517	36%	485	35%	-33	-6%
Total shareholder's equity	919	64%	894	65%	-25	-3%

## Assets

As of December 31, 2024 and December 31, 2025, the Company's total assets were THB 1,436 million and THB 1,379 million, respectively. As of December 31, 2025, total assets decreased by THB 57 million or 4% compared to the end of 2024.

The decrease in total assets was primarily due to:

- (1) a reduction in cash and cash equivalents of THB 48 million;
- (2) a decrease in trade and other receivables of THB 102 million, mainly reflecting lower freight rates during the year, despite relatively stable shipment volumes, together with effective receivables collection, and
- (3) a decline in prepaid expenses and other current assets in accordance with reduced business activity.

However, this was partially offset by an increase in other current financial assets of THB 50 million.

## Liabilities

As of December 31, 2024 and December 31, 2025, the Company's total liabilities amounted to THB 485 million and THB 517 million, respectively. As of December 31, 2025, total liabilities increased by THB 32 million, or approximately 7%, compared to the end of 2024.

Current liabilities amounted to THB 339 million, representing a decrease of THB 85 million or 20% from the prior year. The reduction was mainly attributable to:

- (1) a decrease in trade and other current payables, in line with reduced freight-related costs
- (2) a decline in advance receipts, reflecting slower business activity; and
- (3) effective short-term debt management and disciplined working capital management.

In contrast, non-current liabilities totaled THB 146 million, an increase of THB 52 million or 56% from the prior year. The increase was primarily due to:

- (1) higher lease liabilities arising from the expansion of right-of-use assets; and
- (2) additional long-term obligations related to the Company's business operations and investments.

## Shareholder's equity

As of December 31, 2024 and December 31, 2025, the Company's total shareholders' equity were THB 919 million and THB 894 million, respectively. As of December 31, 2025, total shareholders' equity decreased by THB 25 million, or 3%, compared to the end of 2024.

The decrease was primarily attributable to dividend payments of THB 95 million during the year. Although the Company generated net profit of THB 64 million for the year, retained earnings declined on a net basis compared to the prior year as dividend distributions exceeded the annual profit.

## 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, including disruptions along the Red Sea route, may result in shipping lines adjusting routes, leading to extended transit times and increased transportation costs. In addition, 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 sustainable growth by expanding value-added services based on its core business, such as warehousing, domestic transportation, and logistics documentation management. In addition, the Company continues to implement internal IT systems to enhance operational efficiency and ensure long-term readiness for industry transformation.

The Company is currently progressing with its 2026 strategic plan, which includes:

- Investment in technology and the Freight Cloud System,
- Expansion of air freight services through strategic partnerships, and
- Creating synergy across the Sea Freight and Multimodal business units to improve service efficiency.

Meanwhile, the Company continues to closely monitor geopolitical developments and global economic trends to proactively manage risks and adjust strategies accordingly.

Sincerely yours

(Mr. Nanmanus Witthayasakpant)

Chief Executive Officer