

8<sup>th</sup> August 2025

Subject: Management Discussion and Analysis (MD&A) for the 2<sup>nd</sup> Quarter and 6-months period ended 30<sup>th</sup> Jun 2025

Attention to: The President of Stock Exchange of Thailand

LEO Global Logistics Public Company Limited and its subsidiaries (the " Company") would like to inform its operating performance for the 2<sup>nd</sup> Quarter and 6-months period of 2025 ended 30<sup>th</sup> Jun 2025 as the following.

**Highlight: The performance decline during Q2/2025 was primarily due to the trade war and uncertainty surrounding U.S. import tariffs. These factors led to a significant drop in shipments to the United States, both from Thailand and from Chinese E-Commerce products that were routed through Thailand. This decline in shipment volume during Q2/2025 significantly impacted the revenue of the Company and Aramex (Thailand) Co., Ltd., the Company's Associate. However, the Company expects the situation to improve in Q3/2025 and Q4/2025 following a clearer announcement of new U.S. import tariff rates. In addition, the Company also faced a greater foreign exchange loss of approximately 4 MB compared to Q1/2025, due to the strengthening of Baht during Q2/2025.**

The Company continues to experience significant and consistent revenue growth from its Non-Freight and Non-Logistics businesses. Revenue recognition from newly established projects has contributed to the Company's overall revenue growth and helped mitigate the volatility associated with the Freight business to a certain extent. In particular, revenue from rail transportation has shown continuous growth within the group. During 1H/2025, the Company generated approximately 152 MB from rail freight services, representing a 576% increase compared to 1H/2024. LaneXang Express, a Associate company, generated approximately 20 MB in Q2/2025, a sixfold increase compared to Q1/2025. Additionally, Sritrang Leo Multimodal Logistics generated approximately THB 58 million in domestic rail transportation revenue in Q2/2025. Moreover, Logicam LEO (Cambodia) Co., Ltd., another Associate in Cambodia, also recorded a significant increase in both revenue and gross profit. Its revenue in Q2/2025 grew by 60% compared to Q1/2025.

In addition, the Self-Storage business and container yard services have shown revenue growth of 13% compared to Q1/2025 and 20% compared to Q2/2024. YJC Depot Services, a subsidiary operating the container yard business, recorded a revenue increase of 58% in Q2/2025 compared to Q1/2025, and a 100% increase compared to Q2/2024. Furthermore, the Leo Coldbotic business (an intelligent warehousing and distribution center for wine) along with the durian export operations to China by Leo Sourcing & Supply Chain, has begun to show consistent revenue growth. In Q4/2025, the Company plans to launch its Green Logistics operations by utilizing EV trucks to serve the clients, with the objective of promoting sustainable logistics services that contribute to reducing global warming. The Company will also provide Carbon Emission Statements in accordance with ISO 14067 standards for our clients.

### Summary of Financial Performance

Unit : Million Baht (MB)	2025	2025	2024	% Change		2025	2024	% Change
	Q2	Q1	Q2	Q-o-Q	Y-o-Y	6 Months	6 Months	
Revenues-Service and Other income	337.3	346.0	372.4	-3%	-9%	683.3	720.6	-5%
Gross Profit (GP)	113.1	105.2	123.8	8%	-9%	218.3	229.8	-5%
Gross Profit Margin (%)	34%	30%	33%			32%	32%	
Net Profit (NP) : Owners of the parent	5.4	8.7	11.1	-38%	-52%	14.0	21.5	-35%
Net Profit Margin (%)	1.6%	2.5%	3.0%			2.1%	3.0%	

In Q2/2025, The Company's total revenues were 337.3 MB decreased 8.7 MB or 3% from Q1/2025 and decreased 35.1 MB or 9% from Q2/2024. For 6 months period comparison between 1H/2025 and 1H/2024, the total revenues decreased 37.3 MB or 5%. The Company's gross profit in Q2/2025 was 113.1 MB, increased by 7.9 MB or 8% from Q1/2025 when compared to Q2/2024, decreased 10.7 MB or 9%. For 6 months period, the gross profit in 1H/2025 decreased 11.5 MB or 5% when compared to 1H/2025 and gross profit margin was 34% in Q2/2025, higher than Q1/2025 and Q2/2024 at 30% and 33%, respectively.

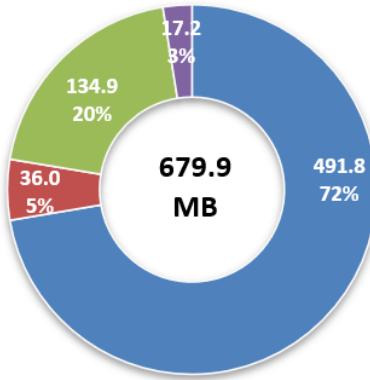
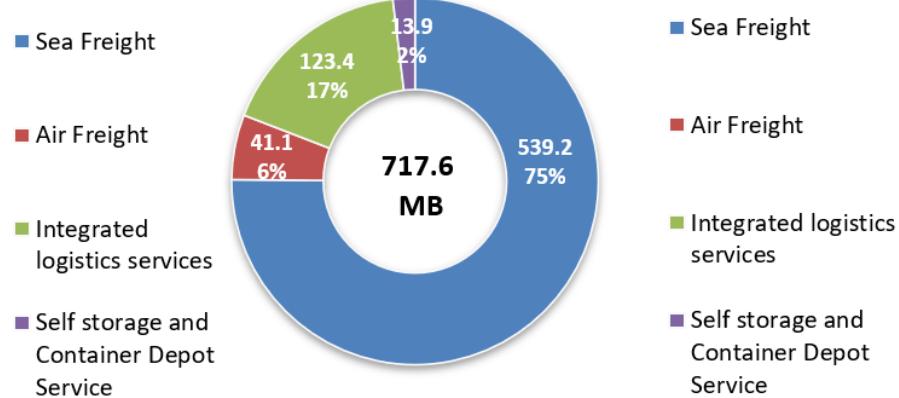
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The Company's net profit (Owners of the parent) in Q2/2025 was 5.4 MB, decrease of 3.3 MB or 38% from Q1/2025 when compared to Q2/2024 decreased by 5.7 MB or 52%. For 6 months period, the net profit (Owners of the parent) in 1H/2025 decreased 7.5 MB or 35 % when compared to 1H/2024. The decline in the Company's net profit (Owners of the parent) during the period was primarily due to a foreign exchange loss that was approximately 4 MB higher than Q1/2025, resulting from the appreciation of Baht. In addition, the Company had to recognize losses from its subsidiaries and associates, particularly Aramex (Thailand) Co., Ltd. (Aramex) approximately 2.4 MB, as Aramex experienced a significant decline in e-Commerce shipping revenue during Q2/2025. The company's net profit margin in Q2/2025 was 1.6%, when compared to Q1/2025 was 2.5% and Q2/2024 which were 3.0%. However, excluding the foreign exchange loss and the loss contribution from Aramex, the Company and its subsidiaries would have recorded a net profit (Owners of the parent) of approximately 11.8 MB in Q2/2025, with a net profit margin of 3.5% for the quarter.

### Service income and portion by segment.

Segment	2025	2025	2024	% Change		2025	Portion	2025	Portion
	Q2	Q1	Q2	Q-o-Q	Y-o-Y	6 Months	%	6 Months	%
1. Sea Freight	237.6	254.2	279.8	-7%	-15%	491.8	72%	539.2	75%
2. Air Freight	18.3	17.7	21.4	3%	-15%	36.0	5%	41.1	6%
3. Integrated logistics services	69.8	65.1	61.8	7%	13%	134.9	20%	123.4	17%
4. Self storage and Container Depot Service	9.1	8.1	7.6	13%	20%	17.2	3%	13.9	2%
Total	334.8	345.1	370.6	-3%	-10%	679.9	100%	717.6	100%

**Revenue (MB)-Year 2025 (Jan-Jun)**

**Revenue (MB)-Year 2024 (Jan-Jun)**


**For the first 6 months of 2025 (1H/2025), the service income was 679.9 MB, with 4 segments as the follows.**

- 1) Sea Freight service:** the company's revenues from sea freight was 491.8 MB or 72% of total service income.
- 2) Air Freight Services:** the company's revenues from air freight was 36.0 MB or 5% of total service income.
- 3) Integrated Logistics Services:** the income from these services including local transportation, customs clearance service, and others was 134.9 MB or equivalent to 20% of total service income.
- 4) Self Storage and Container Depot Services:** the income from these services including rental space services, container depot, and container repair services were 17.2 MB or about 3% of total service income.

### Performance Analysis

#### 1. Sea Freight Service

In Q2/2025, the income decreased by 7% compared to Q1/2025 and decreased by 15% when compared to Q2/2024. For 6 months period compared between 2025 and 2024, in 1H/2025 revenue decreased 9% from 1H/2024 because of lower freight rates.

## 2. Air Freight Service

In Q2/2025, the income increased by 3% compared to Q1/2025 due to higher air freight volumes. But when compared to Q2/2024 decreased 15%. For 6 months period compared between 2025 and 2024, in 1H/2025 revenue decreased 12% from 1H/2024.

## 3. Integrated Logistics Services

### 3.1 Transportation Services

In Q2/2025, the income increased by 21% from Q1/2025 when compared to Q2/2024 increased by 5%. because of much more volume from land transport and the rise in transportation fare rates. However, when comparing 1H/2025 with 1H/2024, it decreased slightly.

### 3.2 Customs Clearance & Other Services

The income from customs clearance and other services in Q2/2025 decreased by 9% from Q1/2025 due to lower revenue from rental services of Reefer Containers, when compared to Q2/2024 increased by 27%. For 6 months period, in 1H/2025 revenue grew by 28% compared to the same period in 2024, driven by a consistent rise in revenue from customs clearance services.

## 4. Self-Storage and Container Depot Services

For businesses in this group, the total revenue in Q2/2025 was 9.1 MB, compared to Q1/2025 which was 8.1 MB increase of 13 % and increase of 20 % compared to Q2/2024. Compared 1H/2025 to 1H/2024 increased by 24% as follows details:

### 4.1 Income from Self-storage service

in Q2/2025 decreased 8% when compared to Q1/2025 and decreased 10% compared to Q2/2024 because some customers did not renew their leases. For 6 months period, 1H/2025 increased by 6% from 1H/2024 because the company has fully operated all 3 branches, on Rama 3 Road, at Chinatown and on Rama 4 Road, as a result, revenue recognition continuously increasing.

### 4.2 Income from container depot service

in Q2/2025 when comparing with Q1/2025, the income increased 58% and when compared with Q2/2024 increased 100% when compared between 1H/2025 and 1H/2024 increased 70% attributable to new group of customers utilizing our services, as well as existing customers expanding their usage of both container deposits and repairs services.

## Revenue from rail transportation by companies in the group

Company	Q2/2025	Q1/2025	1H/2025	1H/2024	% Change
LaneXang Express	19.7	3.2	22.9	3.4	575%
Srirang Leo Multimodal Logistics	57.6	71.4	128.9	19.1	577%
<b>Total</b>	<b>77.3</b>	<b>74.6</b>	<b>151.8</b>	<b>22.5</b>	<b>576%</b>

### Other income

Mainly income from dividends and interest as following.

Other income	2025 (Jan-Jun)	2024 (Jan-Jun)	% Change
1.Dividend	525,000	1,204,040	-56%
2.Interest Income	2,031,006	751,511	170%
3.Income from rental/service	123,955	629,066	-80%
4.Other income	684,819	398,470	72%
<b>Total</b>	<b>3,364,780</b>	<b>2,983,087</b>	<b>13%</b>

### Selling and Administrative expenses

The selling and administrative expenses (SG&A) for Q2/2025 increased by 14% compared to Q1/2025 and increased by 4% compared to Q2/2024. For 6 months period, SG&A in 1H/2025 increased 4% due to higher sales incentive expenses and foreign exchange losses from the appreciation of Baht.

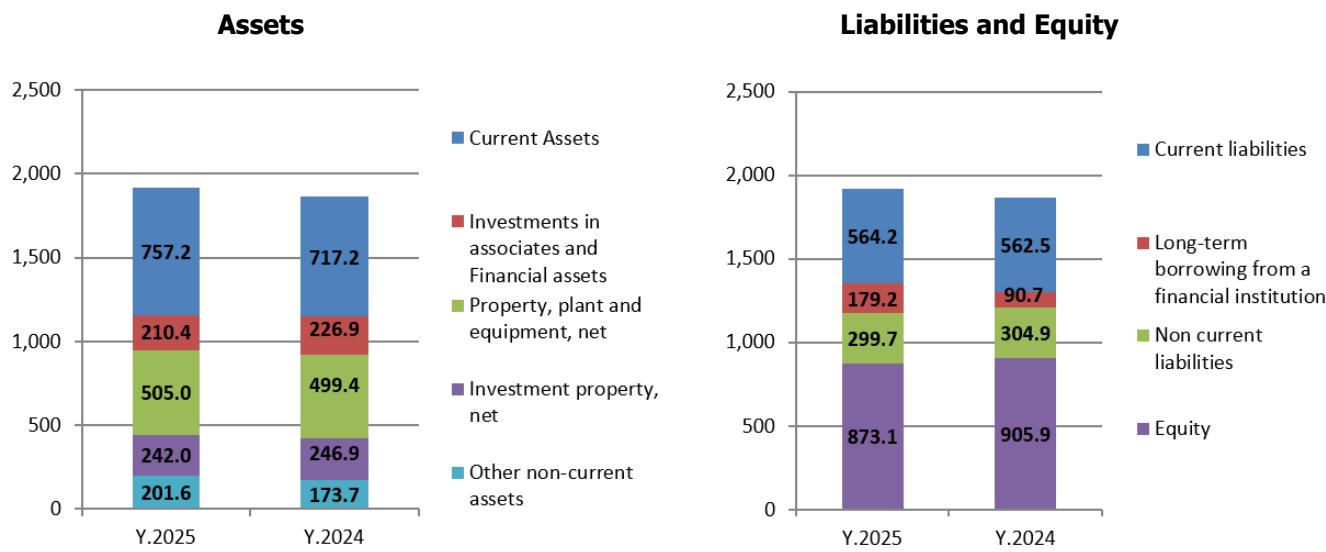
### Financial Cost

The Company's financial costs in Q2/2025, which included interest paid to financial institutions on both short-term and long-term borrowings, as well as financial costs from lease contracts amounted to 9.1 MB. This represents an increase compared to both Q1/2025 and Q2/2024.

### Net Profit (Owners of the parent)

Net profit (Owners of the parent) in Q2/2025 was 5.4 MB, which decreased 3.3 MB from Q1/2025 and 5.7 MB from Q2/2024. The net profit in 1H/2025 decreased by 7.5 MB from 1H/2024 due to foreign exchange losses and the recognition of losses from certain subsidiaries and associates.

### Financial Analysis

**Unit: Million Baht**


### Assets

As of 30<sup>th</sup> Jun 2025, the Company reported total assets of 1,916.2 MB representing an increase of 52.1 MB from 31<sup>st</sup> December 2024. The increase in assets was driven by a rise in the current assets of 40.0 MB which included an increase in Cash and cash of 13.1 MB, other current financial assets of 2.2 MB and Trade and other receivables of 25.6 MB, Derivative assets decreased by 0.6 MB, Other current assets decreased 0.3 MB and Non-current assets were net increased 12.1 MB as details below.

- Investments in associated companies, joint ventures and long-term financial assets decreased 16.5 MB in all from the recognition of share of loss from an associate and joint venture of 10.0 MB and 6.5 MB decreased from re-valuation of the financial assets measured at fair value through other comprehensive income.

- Property and equipment net increased by 5.6 MB from office buildings, warehouses and vehicles.
- Investment property net, decreased 4.9 MB primarily due to the amortization of right-of-use assets for Self-Storage Project #3.

- Other non-current assets net increased by 27.9 MB from restricted deposits at banks increased 0.3 MB, deferred tax assets increased 1.3 MB, intangible assets decreased 0.6 MB and other non-current assets increased 26.9 MB.

### Liabilities

The Company had total liabilities of 1,043.1 MB, an increase of 85.0 MB from 31<sup>st</sup> December 2024, primarily due to the following key items.

- Bank overdrafts and short-term borrowings from financial institutions decreased by 11.2 MB.
- Account payable decreased by 0.7 MB.
- Corporate income tax payable decreased by 1.1 MB.

- Other current liabilities decreased by 7.0 MB

- Other non-current liabilities increased 105.0 MB from liabilities under lease contracts decreased 4.1 MB, employee benefit obligations increased 3.1 MB, Long-term loans from financial institutions increased 106.5 MB, Deferred tax liabilities increased by 0.6 MB and other non-current liabilities decreased by 1.1 MB.

### **Equity**

The Company had total shareholders' equity as of 30<sup>th</sup> Jun 2025 in the amount of 873.1 MB decrease from as of 31<sup>st</sup> December 2024 in the amount of 32.8 MB, increased from Net Profit (Owners of the parent) during the year 14.0 MB, Other component of equity decreased 7.0 MB, non-controlling interests net increase of 4.3 MB and decreased 44.1 MB from annual dividend payment.

### **Liquidity**

Unit : Million Baht	For 6M/2025
Cash at the beginning of the period	83.6
Net cash flows from operating activities	-4.7
Net cash flows from investing activities	-10.5
Net cash flows from financing activities	26.9
Net increase in cash	13.1
Cash at the end of the period	96.7

#### **Cash flows from operating activities**

The Company and subsidiaries used net cash for operating activities 4.7 MB in 1H/2025 which cash generated from net profit in this period 5.1 MB, account receivable increased 22.3 MB, other current assets decreased 0.4 MB non-current assets increased 26.9 MB, accounts payable decreased 1.3 MB, other current liabilities decreased 7.5 MB, and other non-current liabilities decreased 1.1 MB.

#### **Cash flows from investing activities**

Net cash flows used in investing activities for 1H/2025 in the amount of 10.5 MB from redemption of short-term investments and mutual funds net 1.1 MB, payment for restricted deposits of 0.3 MB, Acquisition of fixed assets 12.4 MB, invested in property investments 1.6 MB, received from interest income 2.2 MB and dividends 0.5 MB.

#### **Cash flows from financing activities**

Net cash flows generated from financing activities for 1H/2025 in the amount of 26.9 MB, resulting from the payment of Short-term loans from financial institutions 11.1 MB, receiving long-term loans for financial institutions of 106.5 MB, capital increased in a subsidiary from non-controlling interests of 13.2 MB, payment of liabilities under the lease contracts of 19.8 MB, interest payment of 17.8 MB. and dividend payment amount 44.1 MB.

### **Financial Ratio**

Financial Ratio	2025	2024
	30/06/2025	31/12/2024
Gross Profit Margin (%)	32%	29%
Net Profit Margin (%)	2.1%	2.9%
Current Ratio (Times)	1.3	1.3
Debt/Equity (Times)	1.2	1.1



Please be informed accordingly.

Best Regards,



Mr. Kettivit Sittisoontornwong

(Chief Executive Officer)

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