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Independent Auditor's Report

To the Shareholders of Leo Global Logistics Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Leo Global Logistics Public Company Limited and its subsidiaries (the "Group") and of Leo Global Logistics Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2023, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Revenue recognition	
Refer to Note 18 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
The group's principal activities are integrated logistic service provider. The group's total service revenues was Baht 1,361.92 million, representing 99.20% of total revenue. The group has to determine each performance obligation, including the timing of revenue recognition. The existence, completeness and accuracy of revenue recognition were areas of focus of my audit.	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> - understanding and assessing the design and implementation including testing the operating effectiveness of internal controls related to recognition of revenue; - testing the recording of revenue from rendering of services using a sampling basis with related documents and considering the appropriateness of recognition in each performance obligations; - testing on revenue transactions that occurred close to period end and credit notes issued after the accounting period by examining supporting documents to evaluate whether the transactions were accurately recorded in proper accounting period; - Sending the accounts receivable confirmation using a sampling basis; - assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. *lv*



In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion. *w*



I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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(Vilaivan Pholprasert)
Certified Public Accountant
Registration No. 8420

KPMG Phoomchai Audit Ltd.
Bangkok
23 February 2024

Leo Global Logistics Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		31 December			
		(in thousand Baht)			
Current assets					
Cash and cash equivalents	4	99,444	383,001	63,521	355,771
Trade and other receivables	3, 5	504,547	433,847	503,611	434,645
Current portion of finance lease receivables		-	-	12,557	-
Short-term loans to related party	3	-	-	62,000	27,000
Other current financial assets	6, 23	74,950	214,567	74,950	214,567
Other current assets		17,374	16,325	10,649	9,258
Total current assets		696,315	1,047,740	727,288	1,041,241
Non-current assets					
Other non-current financial assets	23	71,358	69,459	71,358	69,459
Finance lease receivables		-	-	27,419	-
Restricted deposits at financial institutions	12	34,942	29,813	34,942	29,813
Investments in subsidiaries	8	-	-	20,003	12,600
Investments in associates	7	89,577	87,444	34,281	19,886
Investments in joint ventures	7	-	5,000	-	5,000
Investment properties	9, 11	206,993	103,750	206,993	103,750
Property, plant and equipment	10, 11, 12	400,046	301,820	137,549	85,668
Intangible assets		4,818	8,277	4,346	8,007
Deferred tax assets	20	14,024	11,751	12,615	9,706
Other non-current assets		40,928	50,202	39,474	45,923
Total non-current assets		862,686	667,516	588,980	389,812
Total assets		1,559,001	1,715,256	1,316,268	1,431,053



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The accompanying notes form an integral part of the financial statements.

Leo Global Logistics Public Company Limited and its Subsidiaries
Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	12	90,499	-	87,800	-
Trade and other payables	3, 13	84,576	176,090	79,651	171,021
Current portion of long-term borrowings					
from financial institutions	12	57,240	8,240	3,240	3,240
Short-term loans from related party	3	3,000	3,000	-	-
Current portion of lease liabilities	11, 12	32,043	26,076	22,276	7,020
Corporate income tax payable		8,484	31,262	8,378	30,228
Other current liabilities	14	18,178	18,460	18,057	18,297
Total current liabilities		294,020	263,128	219,402	229,806
Non-current liabilities					
Long-term borrowings from financial institutions	12	14,630	72,870	14,630	17,870
Lease liabilities	11, 12	265,313	158,932	169,064	61,987
Convertible debentures	12, 23	-	245,363	-	245,363
Convertible options	12, 23	-	8,926	-	8,926
Non-current provisions for employee benefits	15	59,128	53,260	57,603	51,791
Total non-current liabilities		339,071	539,351	241,297	385,937
Total liabilities		633,091	802,479	460,699	615,743
Equity					
Share capital:					
Authorised share capital					
(362,500,000 ordinary shares,					
par value at Baht 0.50 per share)	16	181,250	181,250	181,250	181,250
Issued and paid-up share capital					
(320,000,000 ordinary shares,					
par value at Baht 0.50 per share)		160,000	160,000	160,000	160,000
Share premium on ordinary shares	16	361,424	361,424	361,424	361,424
Retained earnings					
Appropriated-legal reserve					
Legal reserve	17	18,125	18,125	18,125	18,125
Treasury shares reserve		64,976	63,883	64,976	63,883
Unappropriated		355,277	338,085	299,049	260,309
Treasury shares	16	(64,976)	(63,883)	(64,976)	(63,883)
Other component of equity		15,628	15,258	16,971	15,452
Equity attributable to owners of the parent		910,454	892,892	855,569	815,310
Non-controlling interests		15,456	19,885	-	-
Total equity		925,910	912,777	855,569	815,310
Total liabilities and equity		1,559,001	1,715,256	1,316,268	1,431,053

The accompanying notes form an integral part of the financial statements.

Leo Global Logistics Public Company Limited and its Subsidiaries
Statement of comprehensive income

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in thousand Baht)</i>					
Income					
Revenue from rendering of services	3, 18	1,361,919	4,490,249	1,319,411	4,419,117
Other income	3	10,996	5,099	13,722	16,186
Total income		1,372,915	4,495,348	1,333,133	4,435,303
Expenses					
Cost of rendering of services	3, 18	903,388	3,604,900	871,815	3,559,984
Selling expenses		116,367	217,976	116,213	217,975
Administrative expenses	3	240,588	275,056	218,622	256,079
Other (gains) losses		(10,646)	522	(24,053)	522
Total expenses		1,249,697	4,098,454	1,182,597	4,034,560
Profit from operating activities		123,218	396,894	150,536	400,743
Finance costs		(25,493)	(18,788)	(21,822)	(16,354)
Expected credit loss	5	(1,079)	(11,331)	(3,081)	(12,918)
Share of profit of associates and joint ventures accounted for using equity method	7	1,195	13,928	-	-
Profit before income tax expense		97,841	380,703	125,633	371,471
Tax expense	20	(21,452)	(74,582)	(20,598)	(73,321)
Profit for the year		76,389	306,121	105,035	298,150

The accompanying notes form an integral part of the financial statements.

Leo Global Logistics Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in thousand Baht)</i>					
Other comprehensive income					
Item that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		(1,352)	465	-	-
Total item that will be reclassified subsequently to profit or loss		(1,352)	465	-	-
Items that will not be reclassified subsequently to profit or loss					
Gain on investments in equity instruments designated at FVOCI	23	1,899	4,600	1,899	4,600
Loss on remeasurements of defined benefit plans	15	(2,558)	(2,740)	(2,739)	(2,740)
Share of other comprehensive income of associates accounted for using equity method	7	(50)	154	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	20	132	(372)	168	(372)
Total items that will not be reclassified subsequently to profit or loss		(577)	1,642	(672)	1,488
Other comprehensive income for the year, net of tax		(1,929)	2,107	(672)	1,488
Total comprehensive income for the year		74,460	308,228	104,363	299,638
Profit (loss) attributable to:					
Owners of the parent		83,465	304,588	105,035	298,150
Non-controlling interests		(7,076)	1,533	-	-
		76,389	306,121	105,035	298,150
Total comprehensive income (expense) attributable to:					
Owners of the parent		81,666	306,602	104,363	299,638
Non-controlling interests		(7,206)	1,626	-	-
		74,460	308,228	104,363	299,638
Basic and diluted earnings per share (in Baht)	21	0.265	0.955	0.333	0.935

The accompanying notes form an integral part of the financial statements.