

ATP 30 Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2017

1. General information

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has present the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.2 New financial reporting standards

During the period, the Company has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company' financial statements.

1.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016.

2. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	For the three-month periods		Pricing policy
	ended 31 March		
	<u>2017</u>	<u>2016</u>	
(Unit: Million Baht)			
<u>Transactions with related parties</u>			
Subcontract service	1.2	1.2	As agreed price
Insurance expenses	1.0	1.4	As agreed price
Rental and service expenses	0.3	0.2	Contract price
Consultancy fee	0.2	0.2	As agreed price

As at 31 March 2017 and 31 December 2016, the balances of the accounts between the Company and those related parties were as follows:

	(Unit: Thousand Baht)	
	31 March 2017	31 December 2016
		(Audited)
<u>Prepaid insurance expenses - related party</u>		
Thaisri Insurance Public Company Limited (Common Director)	2,363	1,957
<u>Trade accounts payable - related parties (Note 7)</u>		
NPR Trans Tour Company Limited (Common management)	754	885
Mr.Vinai Pumpit (Manager of the Company)	280	291
Mr.Ampon Techakul (Managing director's brother)	145	48
	<u>1,179</u>	<u>1,224</u>
<u>Other payables - related parties (Note 7)</u>		
Accrued insurance expenses - Thaisri Insurance Public Company Limited (Common Director)	1,431	1,637
Accrued consultancy fee - Mr.Viwat Kromadit (Director of the Company)	-	50
Accrued rental and service expenses - Kromdit Park Company Limited (Common Director)	125	130
Accrued meeting allowance - Ms.Somhatai Panichewa (Director of the Company)	-	9
Accrued director remuneration	504	-
	<u>2,060</u>	<u>1,826</u>

(Unaudited but reviewed)

Directors and management's benefits

During the three-month period ended 31 March 2017 and 2016, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
Short-term employee benefits	3,089	2,074
Post-employment benefits	92	50
Total	<u>3,181</u>	<u>2,124</u>

3. Trade and other receivables

The balances of trade and other receivables as at 31 March 2017 and 31 December 2016 aged on the basis of due dates, are summarised below.

	(Unit: Thousand Baht)	
	<u>31 March 2017</u>	<u>31 December 2016</u>
		(Audited)
<u>Trade accounts receivable - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	38,513	34,397
Past due		
Up to 3 months	121	154
Total trade accounts receivable	<u>38,634</u>	<u>34,551</u>
Accrued services income	1,640	1,271
Advance payment	100	4
Other receivables	1	1
Total trade and other receivables	<u>40,375</u>	<u>35,827</u>

4. Restricted bank deposits

This represent saving and fixed deposit pledged with the bank to secure bank guarantees.

5. Transportation vehicles

Movements of the transportation vehicles account during three-month period ended 31 March 2017 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2017	404,808
Acquisitions during the period - at cost	7,103
Disposals and written off during the period - net book value at disposal date	(665)
Depreciation for the period	(10,415)
Net book value as at 31 March 2017	<u>400,831</u>

As at 31 March 2017, the Company had transportation vehicles under finance lease agreements with net book values amounting to Baht 291 million (31 December 2016: Baht 324 million).

6. Leasehold improvement and equipment

Movements of the leasehold improvement and equipment account during three-month period ended 31 March 2017 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2017	9,221
Acquisitions during the period - at cost	1,068
Depreciation for the period	(3,878)
Net book value as at 31 March 2017	<u>9,901</u>

7. Trade and other payables

	(Unit: Thousand Baht)	
	31 March 2017	31 December 2016
		(Audited)
Trade accounts payable	26,162	22,253
Trade accounts payable - related parties (Note 2)	1,179	1,224
Other payables	1,126	1,010
Accounts payables - purchase of fixed assets	1,034	304
Accrued expenses	3,263	3,041
Accrued expenses - related parties (Note 2)	2,060	1,826
Advance receipt	259	209
Total	<u>35,083</u>	<u>29,867</u>

(Unaudited but reviewed)

8. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	31 March	31 December
	2017	2016
		(Audited)
Liabilities under finance lease agreements	221,148	242,404
Less: Deferred interest expenses	(21,378)	(24,446)
Total	199,770	217,958
Less: Portion due within one year	(58,889)	(67,618)
Liabilities under finance lease agreements - net of current portion	140,881	150,340

The Company has entered into the finance lease agreements with the leasing companies for rental of transportation vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 4 - 5 years.

Movements of the liabilities under finance lease agreements account during the three-month period ended 31 March 2017 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2017	217,958
Add: additional liability during the period	4,863
Less: payments during the period	(23,051)
Balance as at 31 March 2017	199,770

9. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month period ended 31 March 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)	
	2017	2016
Current income tax:		
Interim corporate income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(394)	1,069
Tax (income) expenses reported in the statement of comprehensive income	(394)	1,069

10. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares to reflect the impact of the stock dividend as discussed in note 13 to the interim financial statements. The prior period's basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

The following table sets forth the computation of basic earnings per share;

	For the three-month periods ended 31 March	
	<u>2017</u>	<u>2016</u>
Profit for the period (Thousand Baht)	1,923	3,319
Weighted average number of ordinary shares (Thousand shares)	495,000	495,000
Earnings per share (Baht per share)	0.004	0.007

11. Segment information

The Company's principal operating segments are transport services. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

12. Commitments and contingent liabilities**12.1 Operating lease commitments**

The Company has entered into several lease agreements in respect of the lease of land, building space and equipment. The terms of the agreements are generally between 3 to 10 years.

Future minimum lease payments required under these operating leases contracts were as follows:

	(Unit: Million Baht)	
	<u>31 March 2017</u>	<u>31 December 2016</u>
Payable:		(Audited)
In up to 1 year	2.0	2.6
In over 1 and up to 5 years	2.1	2.2

12.2 Long-term service commitment

The Company has entered into a service contract with a company (“the counterparty”), whereby the counterparty will provide services regarding financial advisory. The Company commits to pay a service fee of Baht 2.7 million.

12.3 Bank guarantee

As at 31 March 2017, there were outstanding bank guarantees of approximately Baht 3.7 million (31 December 2016: Baht 3.7 million) issued by banks on behalf of the Company as required in the normal course of business.

13. Even after the reporting period

On 3 April 2017, the meeting of the Annual General Meeting of the shareholders for the year 2017 passed the following significant resolutions:

- 1) The allocation of Baht 1.2 million of profit to the Company’s legal reserve.
- 2) The payments of dividends on 440 million ordinary shares from the net profit after allocation of legal reserve, comprising the following:
 - 2.1) Payment of stock dividends to the Company’s shareholders in the amount not exceeding 55 million shares at a rate of 1 share for every 8 existing shares, with indivisible shares remaining after the allocation to be paid in cash at the rate of Baht 0.03125 per share.
 - 2.2) Payment of cash dividend to the Company’s shareholders in the amount not exceeding Baht 5.9 million or equivalent to Baht 0.01348 per share in which consisting of:
 - 2.2.1) Payment of cash dividend not exceeding Baht 1.5 million, or equivalent to Baht 0.00348 per share, which is to be reserved for payment of withholding on stock dividend payment.
 - 2.2.2) Payment of additional cash dividend amounting to Baht 4.4 million, which is equivalent to the payment ratio of Baht 0.01 per share.

- 3) The issuance and allocation of up to 123,750,000 units of warrants for purchase of the first batch of newly issued ordinary shares (“Warrants” or “ATP30-W1”) to the existing shareholders of the Company on a pro rata basis to their respective shareholdings (Rights Offering), without charge, at an allocation ratio of 1 warrant for every 4 existing ordinary shares (In calculating the number of warrants to be allocated to each shareholder, any fractions derived from the calculation based on the allocation ratio shall be rounded down). The term of the ATP30-W1 warrants is 2 years from the issue date (from 24 May 2017 to 23 May 2019), with the exercise ratio being 1 warrant for 1 ordinary share, and the exercise price is Baht 0.85 per share. The warrant holders shall be able to exercise their rights 4 times, which are on December 31, 2017, June 30, 2018, December 31, 2018 and May 23, 2019. The last exercise date is the date the warrants expire.
- 4) An increase of the Company’s registered share capital amounting to Baht 44,687,500 by issuing additional 178,750,000 ordinary shares with a par value of Baht 0.25 each.
- 5) The allocation of additional 178,750,000 ordinary shares with a par value of Baht 0.25 each, to support the payment of stock dividends and the exercise of the warrants (ATP30-W1). The allocation is for the following purposes.
 - 5.1) To support the payment of stock dividends in the amount not exceeding 55,000,000 shares.
 - 5.2) To support the exercise of the warrants (ATP30-W1) in the amount not exceeding 123,750,000 shares.

14. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company’s Board of Directors on 9 May 2017.