

**ATP 30 Public Company Limited**

**Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 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.

					(Unit: Million Baht)
	For the three-month		For the nine-month		Pricing policy
	periods ended		periods ended		
	30 September		30 September		
<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>		
<u>Transactions with related parties</u>					
Subcontract service	1.2	1.2	3.3	3.6	As agreed price
Insurance expenses	1.3	1.4	3.6	4.2	As agreed price
Rental and service expenses	0.3	0.3	0.9	0.8	Contract price
Consultancy fee	0.2	0.2	0.5	0.5	As agreed price
Commissions	0.3	-	0.3	-	As agreed price

As at 30 September 2017 and 31 December 2016, the balances of the accounts between the Company and those related parties were as follows:

	(Unit: Thousand Baht)	
	30 September 2017	31 December 2016
		(Audited)
<b><u>Prepaid insurance expenses - related party</u></b>		
Thaisri Insurance Public Company Limited (Common Director)	3,020	1,957
<b><u>Trade accounts payable - related parties (Note 7)</u></b>		
NPR Trans Tour Company Limited (Common management)	902	885
Mr.Vinai Pumpit (Manager of the Company)	143	291
Mr.Ampon Techakul (Managing director's brother)	133	48
	<u>1,178</u>	<u>1,224</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	30 September 2017	31 December 2016
		(Audited)
<b><u>Accrued expenses - related parties (Note 7)</u></b>		
Accrued insurance expenses - Thaisri Insurance Public Company Limited (Common Director)	1,932	1,637
Accrued consultancy fee - Mr. Viwat Kromadit (Director of the Company)	50	50
Accrued rental and service expenses - Kromadit Park Company Limited (Common Director)	159	130
Accrued meeting allowance - Ms. Somhatai Panichewa (Director of the Company)	-	9
Accrued commission - Mr. Thanesak Sanwandee (Manager of the Company)	115	-
	<u>2,256</u>	<u>1,826</u>

**Directors and management's benefits**

During the three-month and nine-month periods ended 30 September 2017 and 2016, the Company had employee benefit expenses payable to their directors and management as below.

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	2,758	2,347	9,760	7,747
Post-employment benefits	85	50	256	150
Total	<u>2,843</u>	<u>2,397</u>	<u>10,016</u>	<u>7,897</u>

**3. Trade and other receivables**

The balances of trade and other receivables as at 30 September 2017 and 31 December 2016 aged on the basis of due dates, are summarised below.

	(Unit: Thousand Baht)	
	30 September 2017	31 December 2016
		(Audited)
<u>Trade accounts receivable - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	40,445	34,397
Past due		
Up to 3 months	600	154
3 - 6 months	16	-
Total trade accounts receivable	41,061	34,551
Accrued services income	2,709	1,271
Advance payment	16	4
Other receivables	-	1
Total trade and other receivables	43,786	35,827

**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 nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2017	404,808
Acquisitions during the period - at cost	91,060
Disposals and written off during the period - net book value at disposal date	(715)
Depreciation for the period	(32,588)
Net book value as at 30 September 2017	462,565

As at 30 September 2017, the Company had transportation vehicles under finance lease agreements with net book values amounting to Baht 350 million (31 December 2016: Baht 324 million).

**6. Leasehold improvement and equipment**

Movements of the leasehold improvement and equipment account during nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2017	9,221
Acquisitions during the period - at cost	1,578
Written off during the period - net book value at write off date	(1)
Depreciation for the period	(1,225)
Net book value as at 30 September 2017	<u>9,573</u>

**7. Trade and other payables**

	(Unit: Thousand Baht)	
	30 September 2017	31 December 2016
		(Audited)
Trade accounts payable	26,996	22,253
Trade accounts payable - related parties (Note 2)	1,178	1,224
Other payables	632	1,010
Accounts payables - purchase of fixed assets	1,013	304
Accrued expenses	3,604	3,041
Accrued expenses - related parties (Note 2)	2,256	1,826
Advance receipt	295	209
Total	<u>35,974</u>	<u>29,867</u>

**8. Liabilities under finance lease agreements**

	(Unit: Thousand Baht)	
	30 September 2017	31 December 2016
		(Audited)
Liabilities under finance lease agreements	263,361	242,404
Less: Deferred interest expenses	(22,169)	(24,446)
Total	241,192	217,958
Less: Portion due within one year	(77,527)	(67,618)
Liabilities under finance lease agreements - net of current portion	<u>163,665</u>	<u>150,340</u>

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 nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2017	217,958
Add: additional liability during the period	78,288
Less: payments during the period	(55,054)
Balance as at 30 September 2017	<u>241,192</u>

## 9. Share Capital

On 3 April 2017, the Annual General Meeting of the Company's shareholders has approved the following matters:

- 1) Dividends payment for 440 million ordinary shares of Baht 0.045 per share, totaling Baht 19.68 million from the 2016 operating result, the details are as follows:
  - 1.1) Stock dividends payment not exceeding 55 million ordinary shares, at a rate of 1 share for every 8 existing ordinary shares (with fractional shares to be paid in cash), to the shareholders totaling Baht 13.75 million or Baht 0.031 per share.
  - 1.2) Cash payment not exceeding of Baht 5.93 million or Baht 0.014 per share, comprising to following:
    - 1.2.1) Cash not exceeding of Baht 1.53 million or Baht 0.004 per share for reserved of withholding on stock dividend payment of the shareholders.
    - 1.2.2) Cash additional of Baht 4.4 million or Baht 0.01 per share.
- 2) Issuance and allocation not exceeding 123.75 million units of the Company's warrants, (ATP30-W1) free of charge to the existing shareholders in proportion to their existing shareholding (Rights Offering), at rate of 1 warrant for every 4 existing ordinary shares (with fractional shares to be rounded down). The exercise ratio is 1 warrant per 1 ordinary share and the exercise price is Baht 0.85 per share. The exercise date is lasting for two years starting from the issue date of Warrant. They can be exercised 4 times on 29 December 2017, 29 June 2018, 28 December 2018 and 23 May 2019.

- 3) An increase in the Company's registered share capital from Baht 110 million (440 million ordinary shares of Baht 0.25 each) to Baht 154.69 million (618.75 million ordinary shares of Baht 0.25 each) by issuing 178.75 million ordinary shares with a par value of Baht 0.25 each in order to support the stock dividends payment not exceeding 55 million shares and the exercise of the warrants (ATP30-W1) not exceeding 123.75 million shares.

The Company registered the capital increase and the subscription of newly issued and fully paid up share of Baht 13.75 million with the Ministry of Commerce on 24 April 2017 and 3 May 2017, respectively.

On 24 May 2017, the Company has issued 123.75 million warrants (ATP30-W1) to its shareholders.

## 10. Dividends

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends for 2015	Annual General Meeting of the shareholders on 4 April 2016	9.7	0.022
Total dividends for the nine-month period ended 30 September 2016		9.7	0.022
Dividends for 2016	Annual General Meeting of the shareholders on 3 April 2017		
- Cash		5.9	0.014
- Stock dividend		13.8	0.031
Total dividends for the nine-month period ended 30 September 2017		19.7	0.045

**11. 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 and nine-month periods ended 30 September 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	-	-	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>1,187</u>	<u>(966)</u>	<u>1,067</u>	<u>(292)</u>
<b>Tax expenses (income) reported in the statement of comprehensive income</b>	<u><u>1,187</u></u>	<u><u>(966)</u></u>	<u><u>1,067</u></u>	<u><u>(292)</u></u>

**12. 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 9 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.

Diluted 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued without consideration of exercising period.



The following table sets forth the computation of basic and diluted earnings per share:

	Profit for the three-		Weighted average		Earnings per share	
	month periods ended		number of ordinary			
	30 September		shares			
	2017	2016	2017	2016	2017	2016
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	8,354	7,940	495,000	495,000	0.017	0.016
<b>Effect of dilutive potential ordinary shares</b>						
Warrant offered to existing shareholders (ATP30-W1)	-	-	62,275	-		
<b>Diluted earnings per share</b>						
Profit attributable to equity holders of the Company assuming the conversion of warrants to ordinary shares	<u>8,354</u>	<u>7,940</u>	<u>557,275</u>	<u>495,000</u>	0.015	0.016
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	15,694	18,457	495,000	495,000	0.032	0.037
<b>Effect of dilutive potential ordinary shares</b>						
Warrant offered to existing shareholders (ATP30-W1)	-	-	33,302	-		
<b>Diluted earnings per share</b>						
Profit attributable to equity holders of the Company assuming the conversion of warrants to ordinary shares	<u>15,694</u>	<u>18,457</u>	<u>528,302</u>	<u>495,000</u>	0.030	0.037

### 13. Segment information

The Company's principal operating segment is transport services. Its operation is 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. Therefore, 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.

**14. Commitments and contingent liabilities****14.1 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>30 September 2017</u>	<u>31 December 2016</u>
		(Audited)
Payable:		
In up to 1 year	2.7	2.6
In over 1 and up to 5 years	3.2	2.2

**14.2 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 1 million.

**14.3 Bank guarantee**

As at 30 September 2017, there were outstanding bank guarantees of Baht 8.9 million (31 December 2016: Baht 3.7 million) issued by banks on behalf of the Company as required in the normal course of business.

**15. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company’s Board of Directors on 7 November 2017.