



No. ATP30 7/2017

May 9, 2017

Subject Management Discussion and Analysis Quarterly ended March 31, 2017
 Attention President
 Stock Exchange of Thailand
 Attachment Report and interim financial statements ended March 31, 2017 by Certified Public Accountant (Thailand)

ATP30 Public Company Limited (“the Company”) would like to report the operating result of 3-month period ended March 31, 2017 according to the Company’s financial statement which the details are as follows:

(Unit: Million Baht)

Description	For 3 months (January - March)			
	2017	2016	Change	%Change Increase (Decrease)
Revenue from Services	79.29	69.87	9.42	13.48%
Cost of Services	(64.34)	(53.69)	(10.65)	19.84%
Gross Profit	14.95	16.18	(1.23)	(7.60%)
Other Incomes	0.47	0.23	0.24	104.35%
Administrative Expenses	(10.42)	(8.08)	(2.34)	28.96%
Financial Costs	(3.47)	(3.94)	0.47	(11.93%)
Tax Expenses	0.39	(1.07)	1.46	(136.45%)
Net Profit	1.92	3.32	(1.40)	(42.17%)

Revenue from Services

For 3 months period ended March 31, 2017, the Company’s revenue from services was THB 79.29 million, increased by THB 9.42 million or equivalent to 13.48 percent growth compared to the same period last year.

An increase in revenue from services arises from an expansion in service for existing clients and a new client who started in first quarter of 2017. As of March 31, 2017, the Company owned a total 179 vehicles as the Company’s asset to serve clients which is comprised of 147 buses, 5 mini-buses, 4 VIP vans, and 23 vans. Meanwhile, the Company was holding partnerships with 90 affiliated vehicles which can be divided into 9 buses and 81 vans.



Gross Profit and Gross Profit Margin

For 3 months period ended March 31, 2017, the Company's gross profit was THB 14.95 million or equivalent to gross profit margin of 18.85 percent compared to the same period last year that the Company's gross profit was THB 16.18 million or equivalent to gross profit margin of 23.16 percent.

A Plunge in gross profit and its margin arises from (1) an improvement expenses on used vehicles in order to renew the long-term contract with existing clients and (2) a hike in fuel price from previous year.

Other Incomes

For 3 months period ended March 31, 2017, the Company's other incomes was THB 0.47 million, rose by THB 0.23 million or equivalent to 104.35 percent growth compared to the same period last year. The increase in other incomes was due to the sale of a van in first quarter and other incomes from spare parts sale.

Administrative Expenses

For 3 months period ended March 31, 2017, the Company had administrative expenses of THB 10.42 million, increased by THB 2.34 million or equivalent to 28.96 percent growth compared to the same period last year.

The increase in administrative expense for the first 3 months of 217 was due to expense about the applying Road Traffic Safety (RTS) management system (ISO 39001) in order to improve the services quality. The causes of rising in administrative expense also due to the growing of salary expenses for the Company's manpower to reserve the business expansion and preparation for internal audit department. Furthermore, the Company had additional expenses about the issuing financial instrument (The warrant to purchase newly issued shares of ATP 30 Public Company Limited No.1 : ATP30-W1).

Financial Costs

For 3 months period ended March 31, 2017, the Company had financial cost from the financial lease contracts for vehicle of THB 3.47 million, decreased by THB 0.47 million or equivalent to 11.93 percent dip compared to the same period last year.

For 3 months period ended March 31, 2017, the Company had constantly repaid interest for financial lease (Financial Lease and Hire Purchase contract) caused by investing in new 5 vehicles to accommodate the business expansion. Since the Company's Initial Public Offering (IPO) in 2015, the Company has changed its investing policy in fleet expansion by using a part of fund from IPO as a down-payment and making loans in forms of hire-purchase and financial lease which consequently results in lower interest burden for the first quarter of 2017. In 2017 the Company has 34 vehicles binding with financial lease contracts in which the number of vehicles terminated from the contracts in each quarter from first quarter to fourth quarter of 2017 can be divided into 22 vehicles, 4 vehicles, 3 vehicles, and 5 vehicles respectively.



Net Profit and Net Profit Margin

For 3 months period ended March 31, 2017, the Company's net profit was THB 1.92 million or equivalent to the net profit margin of 2.41 percent compared to the same period last year that the Company's net profit was THB 3.32 million or equivalent to the net profit margin of 4.74 percent.

The decline in net profit for the first quarter of the year 2017 was due to the increase in cost of services and administrative expenses as mentioned above.

Please be informed accordingly,

Yours Sincerely,

(Mr. Piya Techakul)

Managing Director