



No. ATP30 15 / 2018

9 August 2018

Subject Management Discussion and Analysis for second quarter ended 30 June 2018

Attention President

Stock Exchange of Thailand

Attachment Independent Auditor's Report on Review of Interim Financial Information

ATP30 Public Company Limited (“the Company”) would like to report the operating result of 3-month and 6-month period ended 30 June 2018 according to the Company’s financial statement which the details are as follows:

(Unit: million Baht)

Description	For 3-month period (Apr - Jun)			
	2018	2017	Change	% Increase (Decrease)
Service income	101.32	83.26	18.06	21.69
Cost of services	(75.99)	(64.00)	(11.99)	18.73
Gross Profit	25.33	19.26	6.07	31.52
Other incomes	0.78	0.21	0.57	271.43
Administrative expenses	(11.41)	(10.42)	(0.99)	9.50
Financial costs	(3.98)	(3.36)	(0.62)	18.45
Tax expenses	(1.41)	(0.27)	(1.14)	422.22
Net Profit	9.31	5.42	3.89	71.77



Description	For 6-month period (Jan - Jun)			
	2018	2017	Change	% Increase (Decrease)
Service income	202.16	162.55	39.61	24.37
Cost of services	(149.08)	(128.34)	(20.74)	16.16
Gross Profit	53.08	34.21	18.87	55.16
Other incomes	0.89	0.68	0.21	30.88
Administrative expenses	(22.95)	(20.84)	(2.11)	10.12
Financial costs	(8.07)	(6.83)	(1.24)	18.16
Tax income (expenses)	(3.15)	0.12	(3.27)	(2,725.00)
Net Profit	19.80	7.34	12.46	169.75

Revenue from Services

For 3-Month period ended 30 June 2018, the Company's revenue from services was THB 101.32 million, increase by Q2/2017 THB 18.06 million or equivalent to 21.69 percent growth. For 6-Month period ended 30 June 2018, the revenue form services of THB 202.16 million, an increase by THB 39.61 million or 24.37 percent.

An increase in following revenue from services arises from service expansion towards existing clients and new clients both shuttle bus service for factories and Chinese tourist. As of 30 June 2018, the Company owned a total of 265 vehicles to serve the clients which consist of 187 buses, 28 mini-buses, 7 VIP vans, 42 vans and 1 car. Meanwhile, the Company was holding partnerships with 90 affiliated vehicles which can be separated into 10 buses and 80 vans.

Gross Profit and Gross Profit Margin

For 3-month period ended 30 June 2018, the Company's gross profit was THB 25.33 million or equivalent to gross profit margin 25.00 percent compared to the same period last year that the Company recorded gross profit of THB 19.26 million or equivalent to gross profit margin of 23.13 percent. For 6-month period ended 30 June 2018, the Company's gross profit was THB 53.08 million or equivalent to gross profit margin of 26.26 percent compared to the same period previous year that the Company recorded gross profit of THB 34.21 million or equivalent to gross profit margin of 21.05 percent.



The increase in gross profit for the 3-month and 6-month period ended 30 June 2018, revenue from service increased a result of service provision and management of fuel costs and maintenance costs, though the oil price average is higher while compared to the same period. More over the depreciation of ten years company's vehicles was due for 23 vehicles while the second quarter and in three months, the invest in 20 vehicles and staffs to launch service for new clients in the third quarter of 2018.

Other Incomes

The Company's other incomes consist of revenue from rendering management to affiliated vehicles, interest received from deposits at bank, amortised gains from sales-and-leases-back of vehicles, and gain from sales on assets. For 3-month period ended 30 June 2018, the Company's other incomes was THB 0.78 million, increased by THB 0.57 million or equivalent to 271.43 percent. For 6-month period, the Company's other income was THB 0.89 million, increased by THB 0.21 million or equivalent to 30.88 percent. The increase from a vehicle selling.

Administrative Expenses

For 3-month period ended 30 June 2018, the Company had administrative expenses of THB 11.41 million, increased by THB 0.99 million or equivalent to a 9.50 percent growth compared to the same period last year. Whereas, for 6-month period ended 30 June 2018, the Company's administrative expenses accounted for THB 22.95 million, grew by THB 2.11 million or equivalent to up 10.12 percent.

The increase in administrative expenses for 3-month and 6-month period ended 30 June 2018, due to expense as the Bank fees for opening credit lines, Bank guarantee, Promissory note and Leasing. And expense for Capital increase form exercise of warrant to purchase ordinary share of ATP 30 Public Company Limited no.1 (ATP30-W1) on December 29,2017 and expenses of 2018 Annual General Meeting of Shareholders.

Financial Costs

For 3-month period ended 30 June 2018, the financial cost consisted of: Interest expenses on bank and finance lease interest (Financial Lease and Hire-purchase contracts). The Company's financial costs was THB 3.98 million, increase by THB 0.62 million or equivalent





to 18.45 percent and for 6-month ended 30 June 2018, the Company's financial cost was THB 8.07 million, increase by THB 1.24 million or equivalent to 18.16 percent.

The Company paid interest on financial leases. This is due the continued funding of vehicles. However, the interest rate charged to financial leases is lower (Interest rates were 3.60 - 3.88 percent from January to June period). As of 30 June 2018, the Company has 185 vehicles under financial lease agreements and 14 vehicles will be payment completed within July to December 2018.

Net Profit and Net Profit Margin

For 3-month period ended 30 June 2018, the Company's net profit was THB 9.31 million or equivalent to the net profit margin of 9.12 percent compared to the same period last year that the Company's net profit was THB 5.42 million or equivalent to the net profit margin of 6.49 percent and For 6-month the Company's net profit was THB 19.80 million or equivalent to the net profit margin of 9.75 percent compared to the same period last year that the Company's net profit was THB 7.34 million or equivalent to the net profit margin of 4.50 percent.

For 3-month and 6-month ended 30 June 2018, the Company's net profit and profit margin increased due to the service increased a result of service provision and management of fuel costs and maintenance costs, though the oil price average is higher while compared to the same period and the invest in 20 vehicles and staffs to launch service for new clients in the third quarter of 2018.

Please be informed accordingly,

Yours Sincerely,

(Mr. Piya Techakul)

Managing Director

