

No. ATP30 4/2019

26 February 2019

Subject Management Discussion and Analysis for the year ended 31 December 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 for the year ended 31 December 2018 according to the Company's financial statement which the details are as follows:

(Unit: million Baht)

Description	For the Year			
	2018	2017	Change	% Increase (Decrease)
Service income	421.88	347.50	74.38	21.40
Cost of services	(314.02)	(266.25)	(47.77)	17.94
Gross Profit	107.86	81.25	26.61	32.75
Other incomes	1.98	1.14	0.84	73.68
Administrative expenses	(46.63)	(39.64)	(6.99)	17.63
Financial costs	(15.80)	(13.66)	(2.14)	15.67
Tax expenses	(6.50)	(2.84)	(3.66)	128.87
Net Profit	40.91	26.25	14.66	55.85

Service income

For the year ended 31 December 2018, the revenue from services of THB 421.88 million, an increase by THB 74.38 million or equivalent to 21.40 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 ; starting

operation in March. As of 31 December 2018, the Company owned a total of 280 vehicles to serve the clients which consist of 193 buses, 28 mini-buses, 51 vans, 7 VIP vans and 1 car. Meanwhile, the Company was holding partnerships with 90 affiliated vehicles which can be separated into 10 buses and 80 vans.

In 2018, there are three new clients, that generated partially in the period of 2018 and it will be fully booked from the year 2019 onwards and the Company's purchase on new vehicles consisting of 44 vehicles, 9 buses, 17 mini-buses and 18 vans in order to serve its business expansion.

Gross Profit and Gross Profit Margin

For the year ended 31 December 2018, the Company's gross profit was THB 107.86 million or equivalent to gross profit margin of 25.57 percent compared to the same period previous year that the Company recorded gross profit to THB 81.25 million or equivalent to gross profit margin of 23.38 percent.

The Increase in gross profit for the year ended 31 December 2018, caused by the company's service income increased as the amount of service vehicles increases. In addition, the efficient fuel management costs and maintenance costs, moreover ten years company's vehicles were fully depreciation, a total of 33 in 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 the year ended 31 December 2018, the Company's other income was THB 1.98 million, increased by THB 1.14 million or equivalent to 0.84 percent.

For the year ended 31 December 2018, the company's other income is increased by two buses fully depreciation has gain on sale to THB. 1.01 million.

Administrative Expenses

For year ended 31 December 2018, the Company's administrative expenses accounted for THB 46.63 million, grew by THB 6.99 million or equivalent to up 17.63 percent.



For year ended 31 December 2018, the expenses related to salaries, wages, and other benefits of employees in accordance with manpower increasing and the annual salary and wage adjustment. In addition, the Company rewards to drivers who are able to perform on the company's safety goals, thus resulting in higher expenses.

Financial Costs

For year ended 31 December 2018, the Company's financial cost was THB 15.80 million, increase by THB 2.14 million or equivalent to 15.67 percent.

The company has paid interest both Financial lease and Hire-purchase agreement due to the continuous purchase of vehicles. The interest rate charged to finance lease agreement has significantly decreased from the original (Interest rates were 3.58 - 3.88 percent from January to December period). As at 31 December 2018, the Company currently has a total of 186 binding with financial lease contracts in which the number of vehicles terminate from the contracts in the next following years from 2019 to 2023 can be divided into 27 vehicles, 45 vehicles, 26 vehicles, 63 vehicles and 25 vehicles respectively.

Net Profit and Net Profit Margin

For year ended 31 December 2018, the Company's net profit was THB 40.91 million or equivalent to the net profit margin of 9.65 percent.

For the year ended 31 December 2018, the Company's net profit and profit margin increased resulted from the increasing service revenue increasing, the efficient fuel management cost as well as its relatively lower cost of finance mentioned above and move over the depreciation of ten years company's vehicles was due for totally 33 vehicles in 2018.

Please be informed accordingly,

Yours Sincerely,

(Mr. Piya Techakul)

Managing Director

