



No. ATP30 11/2020

11 August 2020

Subject Management Discussion and Analysis for second quarter ended 30 June 2020

Attention President
Stock Exchange of Thailand

Attachment: Independent Auditor's Report and financial statement

ATP30 Public Company Limited ("the Company") would like to report the operating result of 3-month and 6-month period ended 30 June, 2020 according to the Company's financial statement which the details are as follows:

(Unit: Million Baht)

P/L	For the three-month period (April - June)				For the six-month period (January-June)			
	Q2'2020	Q2'2019	Increase / Decrease	Change	2020	2019	Increase / Decrease	Change
Service income	86.79	113.65	-26.86	-23.63	189.79	226.54	-36.75	-16.22
Cost of services	-67.28	-83.95	16.67	-19.86	-148.78	-166.48	17.70	-10.63
Gross of Profit	19.51	29.70	-10.19	-34.31	41.01	60.06	-19.05	-31.72
Other income	0.22	0.75	-0.53	-70.67	0.29	1.31	-1.02	-77.86
Administrative expenses	-12.45	-14.06	1.61	-11.45	-24.55	-27.05	2.50	-9.24
Finance cost	-2.86	-3.35	0.49	-14.63	-5.63	-7.01	1.38	-19.69
Impairment loss on trade accounts receivable	-0.85	0.00	-0.85	0.00	-1.47	0.00	-1.47	0.00
Tax expenses	-0.07	-1.80	1.73	-96.11	-0.70	-3.90	3.20	-82.05
Profit for the period	3.50	11.24	-7.74	-68.86	8.95	23.41	-14.46	-61.77

Summary of the operating results

Year 2020, the Thai economy is challenging the from the outbreak of COVID-19 virus, so the economy is entering a recession, especially the industrial sector has been greatly affected, resulting of reduced production of our clients, causing the company to have a lower service income in the same direction as the industrial sector.





Service income

For the 2nd quarter in 2020, the company had service income equal to 86.79 million baht, a decrease of 26.86 million baht or equivalent to 23.63 percent from the same period of the previous year. For the 6-month first in 2020, the company had service income equal to 189.79 million baht, a decrease of 36.75 million baht or equivalent to 16.22 percent from the same period of the previous year.

Due to the most clients are affected by the above situation, resulting in stopping production and reducing work time Which affects the company's services decreased.

Gross profit and Gross profit margin

For the 2nd quarter in 2020, the company had gross profit equal to 19.51 million baht or equivalent to gross profit margin of 22.48, decreased when compared to the previous year with gross profit of 29.70 million baht or equivalent to 26.13. For the 6-month first in 2020, the Company had gross profit equal to 41.01 million baht or equivalent to gross profit margin of 21.61, decreased when compared to the previous year with gross profit of 60.06 million baht or equivalent to gross profit margin of 26.51, from the same period of the previous year.

Result of a decrease in service income. Although the company has an efficiency of service cost control such as selected of B10 diesel, reducing of insurance premiums, reducing service fees and vehicles expenses control etc. Due to the gross profit margin of Q2'2020 improved to 22.48 percent, increasing from 20.87 percent in Q1'2020.

Other income

Other incomes consist of interest income from bank deposits, profit from sales of depreciated buses and sales of deteriorated parts and other incomes, such as additional service income for affiliated vehicles and refunds of provident fund from resignation staff, etc. For the 2nd quarter in 2020, the company had other incomes equal to 0.22 million baht, a decrease of 0.53 million baht or equivalent to 70.67 percent from the same period of the previous year. For the 6-month first in 2020, the company had other incomes equal to 0.29 million baht, a decrease of 1.02 million baht or equivalent to 77.86 percent from the same period of the previous year.

Administrative expenses

For the 2nd quarter in 2020, the company had administrative expenses of 12.45 million baht, a decrease of 1.61 million baht or equivalent to 11.45 percent from the same period of the previous year. For the 6-month first in 2020, the company had administrative expenses of 24.55 million baht, a decrease of 2.50 million baht or equivalent to 9.24 percent from the same period of the previous year.

Due to the company having strict of organization cost control such as reducing company's activities, reducing office space rental, and reduce other expenses as appropriate.





Finance cost

Finance cost consist of Interest for bank overdrafts interest, bank loans interest, and interest under finance lease and interest expense under lease agreement (TFRS16). For the 2nd quarter in 2020, the company had financial cost of 2.86 million baht, a decrease of 0.49 million baht or equivalent to 14.63 percent from the same period of the previous year. For the 6-month first in 2020, the company had financial cost of 5.63 million baht, a decrease of 1.38 million baht or equivalent to 19.69 percent from the same period of the previous year. Mainly course is from the company received interest rates under financial leases which decreased at 3.20-3.50, even though there were an additional 24 vehicles invested during the period.

As of 30 June 2020, the company has 189 vehicles under the remaining finance lease, with the installments due in 2020, such 3 vehicles within Quarter 3 and 3 vehicles within Quarter 4. In year 2021, amount of 41 vehicles, in year 2022, amount of 57 vehicles, in year 2023, amount of 61 vehicles, in year 2024, amount of 8 buses and in the year 2025, amount of 16 vehicles, respectively.

Impairment loss on trade accounts receivable

For the 6-month first in 2020, the company had Impairment loss on trade accounts receivable 1.47 million baht. This is due to the outstanding amount is Chinese tourist customers segment. The Company has considered appropriate that the whole estimate should be set under the current situation which has not improved.

Tax expense

Tax expenses consist of corporate income tax (Por Ngor Dor 50) and deferred income tax consist of provision for employee benefits. Tax losses (Por Ngor Dor 50) and tax effects under financial lease agreements and residual values of transportation vehicles. For the 2nd quarter in 2020, the company had tax expense equal to 0.07 million baht, a decrease of 1.73 million baht or equivalent to 96.11 percent, from the same period of the previous year. For the 6-month first in 2020, the company had tax expense equal to 0.70 million baht, a decrease of 3.20 million baht or 82.05 percent, from the same period of the previous year.

Net Profit and Net Profit Margin

For the 2nd quarter in 2020, the company has a net profit of 3.50 million baht or equivalent to a net profit margin of 4.02 a decrease of 11.24 million baht or equivalent to a net profit margin of 9.83 from the same period of the previous year. For the 6-month first in 2020, the company has a net profit of 8.95 million baht or equivalent to a net profit margin of 4.71 a decrease of 23.41 million baht or equivalent to a net profit margin of 10.27 from the same period of the previous year. Which is a result of the decrease of service income and the items mentioned above





Please be informed accordingly,

Yours Sincerely,

(Mr. Piya Techakul)
Managing Director



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