

ATP 30 Public Company Limited
Report and interim financial statements
For the three-month period ended 31 March 2019

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of ATP 30 Public Company Limited

I have reviewed the accompanying statement of financial position of ATP 30 Public Company Limited as at 31 March 2019, the related statements of comprehensive, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Accounting and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 9 May 2019

ATP 30 Public Company Limited**Statement of financial position****As at 31 March 2019**

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2019</u> (Unaudited but reviewed)	<u>31 December 2018</u> (Audited)
Assets			
Current assets			
Cash and cash equivalents		37,202	38,068
Trade and other receivables	3	63,057	57,911
Inventories		954	777
Current tax assets		1,070	4,072
Other current assets		<u>19,832</u>	<u>14,488</u>
Total current assets		<u>122,115</u>	<u>115,316</u>
Non-current assets			
Restricted bank deposits		829	829
Transportation vehicles	4	613,070	601,362
Leasehold improvement and equipment	5	9,983	8,871
Other non-current assets		<u>1,221</u>	<u>1,191</u>
Total non-current assets		<u>625,103</u>	<u>612,253</u>
Total assets		<u><u>747,218</u></u>	<u><u>727,569</u></u>

The accompanying notes are an integral part of the financial statements.

ATP 30 Public Company Limited**Statement of financial position (continued)****As at 31 March 2019**

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2019</u> (Unaudited but reviewed)	<u>31 December 2018</u> (Audited)
Liabilities and shareholders' equity			
Current liabilities			
Bank overdrafts	6	7,966	6,413
Trade and other payables	7	44,841	38,980
Current portion of liabilities under finance lease agreements	8	129,000	114,598
Other current liabilities		<u>733</u>	<u>908</u>
Total current liabilities		<u>182,540</u>	<u>160,899</u>
Non-current liabilities			
Liabilities under finance lease agreements, net of current portion	8	184,486	201,118
Deferred tax liabilities		25,630	23,527
Provision for long-term employee benefits		5,370	5,001
Other non-current liabilities		<u>1,967</u>	<u>1,969</u>
Total non-current liabilities		<u>217,453</u>	<u>231,615</u>
Total liabilities		<u>399,993</u>	<u>392,514</u>

The accompanying notes are an integral part of the financial statements.

ATP 30 Public Company Limited**Statement of financial position (continued)****As at 31 March 2019**

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2019</u>	<u>31 December 2018</u>
		(Unaudited but reviewed)	(Audited)
Shareholders' equity			
Share capital			
Registered			
618,750,000 ordinary shares of Baht 0.25 each		<u>154,688</u>	<u>154,688</u>
Issued and fully paid-up			
548,226,281 ordinary shares	9		
(31 December 2018: 523,463,781 ordinary shares) of Baht 0.25 each		137,057	130,866
Share subscription received in advance	9	-	21,048
Share premium	9	139,125	124,268
Retained earnings			
Appropriated - statutory reserve		8,500	8,500
Unappropriated		<u>62,543</u>	<u>50,373</u>
Total shareholders' equity		<u>347,225</u>	<u>335,055</u>
Total liabilities and shareholders' equity		<u>747,218</u>	<u>727,569</u>
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The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

ATP 30 Public Company Limited

Statement of comprehensive income

For the three-month period ended 31 March 2019

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Note</u>	<u>2019</u>	<u>2018</u>
Profit or loss:			
Revenues			
Service income		112,895	100,841
Other income		556	113
Total revenues		<u>113,451</u>	<u>100,954</u>
Expenses			
Cost of services		82,533	73,090
Administrative expenses		12,982	11,541
Total expenses		<u>95,515</u>	<u>84,631</u>
Profit before finance cost and income tax expenses		17,936	16,323
Finance cost		(3,663)	(4,088)
Profit before income tax expenses		14,273	12,235
Tax expenses	10	(2,103)	(1,742)
Profit for the period		<u>12,170</u>	<u>10,493</u>
Other comprehensive income:			
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u><u>12,170</u></u>	<u><u>10,493</u></u>
Basic earnings per share			
Basic earnings per share	11	<u>0.022</u>	<u>0.020</u>
Diluted earning per share		<u>0.021</u>	<u>0.018</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

ATP 30 Public Company Limited

Cash flow statement

For the three-month period ended 31 March 2019

(Unit : Thousand Baht)

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Profit before tax	14,273	12,235
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	13,934	13,303
Loss on sales and written-off transportation vehicles and equipment	74	20
Provision for long-term employee benefits	414	333
Interest income	-	(14)
Interest expenses	3,663	4,088
Profit from operating activities before changes in operating assets and liabilities	32,358	29,965
Operating assets increase		
Trade and other receivables	(5,146)	(9,391)
Inventories	(177)	(88)
Other current assets	(1,272)	(220)
Other non-current assets	(91)	(124)
Operating liabilities increase (decrease)		
Trade and other payables	4,584	1,986
Other current liabilities	(175)	(76)
Other non-current liabilities	(47)	182
Cash flows from operating activities	30,034	22,234
Cash received from interest income	-	14
Cash paid for interest expenses	(3,663)	(4,088)
Cash received from refundable withholding tax	-	2,896
Cash paid for withholding tax	(1,070)	(915)
Net cash flows from operating activities	<u>25,301</u>	<u>20,141</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

ATP 30 Public Company Limited

Cash flow statement (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	<u>2019</u>	<u>2018</u>
Cash flows from investing activities		
Increase in restricted bank deposits	-	(14)
Cash paid for accounts payable - purchase of fixed assets	(704)	(835)
Acquisition of transportation vehicles and equipment	(1,566)	(1,009)
Proceeds from sales of transportation vehicles	-	210
Net cash flows used in investing activities	<u>(2,270)</u>	<u>(1,648)</u>
Cash flows from financing activities		
Increase in bank overdrafts	1,553	-
Payment of liabilities under finance lease agreements	<u>(25,450)</u>	<u>(22,500)</u>
Net cash flows used in financing activities	<u>(23,897)</u>	<u>(22,500)</u>
Net decrease in cash and cash equivalents	(866)	(4,007)
Cash and cash equivalents at beginning of period	<u>38,068</u>	<u>35,485</u>
Cash and cash equivalents at end of period	<u><u>37,202</u></u>	<u><u>31,478</u></u>
Supplemental cash flows information		
Non-cash items		
Increase of transportation vehicles from finance lease agreements	23,220	15,930
Purchase of fixed assets on credit	1,981	690

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

ATP 30 Public Company Limited

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Issued and fully paid-up share capital	Share subscription received in advance	Share premium	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2018	123,750	22,493	107,190	6,400	26,477	286,310
Increase share capital	6,616	(22,493)	15,877	-	-	-
Total comprehensive income - profit for the period	-	-	-	-	10,493	10,493
Balance as at 31 March 2018	<u>130,366</u>	<u>-</u>	<u>123,067</u>	<u>6,400</u>	<u>36,970</u>	<u>296,803</u>
Balance as at 1 January 2019	130,866	21,048	124,268	8,500	50,373	335,055
Increase share capital	6,191	(21,048)	14,857	-	-	-
Total comprehensive income - profit for the period	-	-	-	-	12,170	12,170
Balance as at 31 March 2019	<u>137,057</u>	<u>-</u>	<u>139,125</u>	<u>8,500</u>	<u>62,543</u>	<u>347,225</u>
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The accompanying notes are an integral part of the financial statements.

ATP 30 Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2019

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 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented 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

(a) Financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's financial statements.

(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company is currently evaluating the impact of this standard on the financial statements in the year when it is adopted

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 2018.

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 periods		Pricing policy
	ended 31 March		
	2019	2018	
<u>Transactions with related parties</u>			
Subcontract service	1.3	1.2	As agreed price
Insurance expenses	1.7	1.6	As agreed price
Rental and service expenses	0.5	0.3	Contract price
Consultancy fee	0.2	0.2	As agreed price

As at 31 March 2019 and 31 December 2018, the balances of the accounts between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	31 March	31 December
	2019	2018
		(Audited)
<u>Prepaid insurance expenses - related party</u>		
Thaisri Insurance Public Company Limited (common director)	4,115	4,250
<u>Trade accounts payable - related parties (Note 7)</u>		
NPR Trans Tour Company Limited (common management)	879	903
Mr.Winai Pumpit (manager of the Company)	253	213
Mr.Ampon Techakul (managing director's brother)	145	160
	<u>1,277</u>	<u>1,276</u>
<u>Accrued expenses - related parties (Note 7)</u>		
Accrued insurance expenses - Thaisri Insurance Public		
Company Limited (common director)	3,363	1,808
Accrued rental and service expenses - Kromdit Park Company		
Limited (common director)	234	232
	<u>3,597</u>	<u>2,040</u>

Directors and management's benefits

During the three-month periods ended 31 March 2019 and 2018, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	2019	2018
Short-term employee benefits	2,878	3,280
Post-employment benefits	167	96
Total	<u>3,045</u>	<u>3,376</u>

3. Trade and other receivables

The balances of trade and other receivables as at 31 March 2019 and 31 December 2018 aged on the basis of due dates, are summarised below.

	(Unit: Thousand Baht)	
	31 March 2019	31 December 2018
		(Audited)
<u>Trade accounts receivable</u>		
Aged on the basis of due dates		
Not yet due	55,268	51,308
Past due		
Up to 3 months	3,003	3,072
3 - 6 months	694	1,377
6 - 12 months	719	-
Total trade accounts receivable	<u>59,684</u>	<u>55,757</u>
Accrued services income	3,165	1,946
Advance payment	108	58
Other receivables	100	150
Total trade and other receivables	<u>63,057</u>	<u>57,911</u>

4. Transportation vehicles

Movements of the transportation vehicles account during three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2019	601,362
Acquisitions during the period - at cost	26,394
Written off during the period - net book value at write off date	(64)
Transfer out	(1,193)
Depreciation for the period	(13,429)
Net book value as at 31 March 2019	<u>613,070</u>

As at 31 March 2019, the Company had transportation vehicles under finance lease agreements with net book values amounting to Baht 474 million (31 December 2018: Baht 460 million).

5. Leasehold improvement and equipment

Movements of the leasehold improvement and equipment account during three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2019	8,871
Acquisitions during the period - at cost	373
Written off during the period - net book value at write off date	(10)
Transfer in	1,193
Depreciation for the period	(444)
Net book value as at 31 March 2019	<u>9,983</u>

6. Bank overdrafts

	(Unit: Thousand Baht)		
	Interest rate	31 March	31 December
	(percent per annum)	2019	2018
Bank overdrafts	MOR	<u>7,966</u>	<u>6,413</u>

As at 31 March 2019, the bank overdraft credit facilities of the Company which have not yet been drawn down amounted to Baht 16 million (31 December 2018: Baht 17.6 million).

7. Trade and other payables

	(Unit: Thousand Baht)	
	31 March	31 December
	2019	2018
		(Audited)
Trade accounts payable	28,457	26,922
Trade accounts payable - related parties (Note 2)	1,277	1,276
Other payables	924	1,079
Accounts payables - purchase of fixed assets	1,981	704
Accrued expenses	8,266	6,602
Accrued expenses - related parties (Note 2)	3,597	2,040
Advance receipt	339	357
Total	44,841	38,980

8. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	31 March	31 December
	2019	2018
		(Audited)
Liabilities under finance lease agreements	333,607	337,598
Less: Deferred interest expenses	(20,121)	(21,882)
Total	313,486	315,716
Less: Portion due within one year	(129,000)	(114,598)
Liabilities under finance lease agreements - net of current portion	<u>184,486</u>	<u>201,118</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 three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2019	315,716
Add: additional liability during the period	23,220
Less: payments during the period	<u>(25,450)</u>
Balance as at 31 March 2019	<u>313,486</u>

9. Share capital

In December 2018, the warrant holders exercised the warrant totaling 24.76 million units and the Company issued 24.76 million ordinary shares at Baht 0.25 per share, the exercise price is Baht 0.85 per share. The Company recorded cash received from the exercise of these warrants, amounting to Baht 21.05 million, under the caption of “share subscription received in advance” in shareholders’ equity as at 31 December 2018. The Company registered the subscription of the newly issued and fully paid up shares with the Ministry of Commerce on 7 January 2019.

As at 31 March 2019, the remaining unexercised of warrants to purchase ordinary shares are 70.52 million units.

10. 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 periods ended 31 March 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)	
	2019	2018
	<u> </u>	<u> </u>
Current income tax:		
Interim corporate income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	<u>2,103</u>	<u>1,742</u>
Tax expenses reported in the statement of comprehensive income	<u>2,103</u>	<u>1,742</u>

11. Earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period (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.

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

	Profit for the three-month		Weighted average		Earnings per share	
	periods ended 31 March		number of ordinary			
			shares			
	2019	2018	2019	2018	2019	2018
	(Thousand	(Thousand	(Thousand	(Thousand	(Baht)	(Baht)
	Baht)	Baht)	Shares)	Shares)		
Basic earnings per share						
Profit for the period	12,170	10,493	548,226	521,462	0.022	0.020
Effect of dilutive potential ordinary shares						
Warrant offered to existing shareholders (ATP30-W1)	-	-	31,833	52,609		
Diluted earnings per share						
Profit attributable to equity holders of the Company						
assuming the conversion of warrants to ordinary shares	<u>12,170</u>	<u>10,493</u>	<u>580,059</u>	<u>574,071</u>	0.021	0.018

12. 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.

13. Commitments and contingent liabilities

13.1 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 1 to 4 years.

Future minimum lease payments required under these operating leases contracts were as follows:

	(Unit: Million Baht)	
	31 March 2019	31 December 2018
		(Audited)
Payable:		
In up to 1 year	3.0	3.7
In over 1 and up to 4 years	1.0	1.5

13.2 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 0.2 million which will due on 23 May 2019.

13.3 Bank guarantee

As at 31 March 2019, there were outstanding bank guarantees of Baht 6.7 million (31 December 2018: Baht 6.7 million) issued by banks on behalf of the Company as required in the normal course of business.

14. Even after the reporting period

A) On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days’ compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 1.3 million as a result. The Company will reflect the effect of the change as expenses in the second quarter of 2019.

B) On 2 April 2019, the Annual General Meeting of the Company’s shareholders passed the resolution approving as follows:

- 1) The allocation of Baht 2.1 million of profit for the year 2018 to the Company’s legal reserve.
- 2) The payment of a dividend for 2018 at Baht 0.04 per share totaling approximately Baht 21.9 million. The Company paid such dividend on 30 April 2019.

15. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company’s Board of Directors on 9 May 2019.