

No. SONIC-047/2020

November 11, 2020

Subject Management Discussion and Analysis for 9-month period ended 30 September 2020

To President
The Stock Exchange of Thailand

Sonic Interfreight Public Company Limited ("the Company") would like to submit the Management Discussion and Analysis for 9-month period ended 30 September 2020 with details as follows:

Unit : million baht

Statements of Comprehensive Income	For the nine-month period ended 30 September				For the three-month period			
	2020	2019	Increase / (Decrease)		Q 3/2020	Q 2/2020	Increase / (Decrease)	
			Amount	%			Amount	%
Revenues from services	895.87	851.21	44.66	5.25	298.97	285.76	13.21	4.62
Cost of services	718.94	671.02	47.92	7.14	235.90	230.36	5.54	2.40
Gross profit	176.93	180.19	(3.26)	(1.81)	63.07	55.40	7.67	13.84
Other income	7.74	2.34	5.40	230.77	2.39	0.46	1.93	419.57
Selling & Administrative expenses	137.96	130.91	7.05	5.39	47.75	45.13	2.62	5.81
Finance costs	5.32	5.43	(0.11)	(2.03)	1.73	1.71	0.02	1.17
Share of profit (loss) from associate	(0.15)	(0.10)	(0.05)	50.00	(0.17)	0.05	-	0.22 (440.00)
Income tax	8.36	11.45	(3.09)	(26.99)	3.84	2.07	1.77	85.51
Net profit for the period	32.88	34.64	(1.76)	(5.08)	11.97	7.00	4.97	71.00
Other comprehensive income (expense)	(0.10)	-	(0.10)	-	-	-	-	-
Total comprehensive income for the year	32.78	34.64	(1.86)	(5.37)	11.97	7.00	4.97	71.00
Total comprehensive income for the period attributable to :								
Owners of the parent	31.52	33.30	(1.78)	(5.35)	11.53	6.68	4.85	72.60
Non-controlling interests	1.26	1.34	(0.08)	(5.97)	0.44	0.32	0.12	37.50

Revenue

The revenue from service for 9-month period ended 30 September 2020 was amounted to 895.87 million baht, increased from 9-month period ended 30 September 2019 by 44.66 million baht or by 5.25 percent. However, increased from 3-month period ended 30 June 2020 by 13.21 million baht or by 4.62 percent as a result of higher using service of existing customer base and new customers which revenue from services can be categorized as follows;

Unit : million baht

Segment	For the nine-month period ended 30 September				For the Three-month period			
	2020	2019	Increase / (Decrease)		Q 3/2020	Q 2/2020	Increase / (Decrease)	
			Amount	%			Amount	%
Sea Freight	566.12	564.36	1.76	0.31	184.81	183.30	1.51	0.82
Transportation	265.09	237.84	27.25	11.46	89.30	83.62	5.68	6.79
Air Freight	56.92	41.29	15.63	37.85	22.42	16.81	5.61	33.37
Other service /1	7.74	7.72	0.02	0.26	2.44	2.03	0.41	20.20
Total	895.87	851.21	44.66	5.25	298.97	285.76	13.21	4.62

Remarks: /1 Other services such as distribution center service fee, dangerous good logistics

1. Revenue from Sea Freight Services accounts for 63.19% of the Company's total revenue from service. The Company's revenue from Sea Freight Services in 9-month period ended 30 September 2020 was 566.12 million baht, an increase by 1.76 million baht or 0.31 percent compared to same period of the previous year and an increase by 1.51 million baht or 0.82 percent compared to Quarter 2/2020.

2. Revenue from Transportation Services accounts for 29.59% of the Company's total revenue from service. The Company's revenue from Transportation Services in 9-month period ended 30 September 2020 was 265.09 million baht, an increase by 27.25 million baht or 11.46 percent compared to same period of the previous year and an increase by 5.68 million baht or 6.79 percent compared to Quarter 2/2020.

3. Revenue from Air Freight Services accounts for 6.35% of the Company's total revenue from service. The Company's revenue from Air Freight Services in 9-month period ended 30 September 2020 was 56.92 million baht, an increase by 15.63 million baht or 37.85 percent compared to same period of the previous year and an increase by 5.61 million baht or 33.37 percent compared to Quarter 2/2020.

4. Revenue from Other Services such as distribution center service fee, dangerous good logistics accounts for 0.86% of the Company's total revenue from service. The Company's revenue from Other Services in 9-month period ended 30 September 2020 was 7.74 million baht, an increase by 0.02 million baht or 0.26 percent compared to same period of the previous year and an increase by 0.41 million baht or 20.20 percent compared to Quarter 2/2020.

Cost of service

In the first 9 months of 2020, the Company's cost of service was equivalent to 718.94 million baht or amounted to 80.25 percent from the revenue from service. Thus, the increase in cost of 47.92 million baht from the same period in 2019, or by 7.14 percent and an increase by 5.54 million baht or 2.40 percent compared to Quarter 2/2020 as a result of the costs depend on revenue and according with market competition conditions.

Gross Profit

For the first 9 months period of 2020, the Company's Gross Profit was equal to 176.93 million baht, or equivalent to 19.75 percent of Gross Profit Margin. a decrease in Gross Profit of 3.26 million baht from the same period in 2019, or by 1.81 percent were due to market competition conditions. For the 3 months period of 2020, the Company's Gross Profit was equivalent to 21.10 percent of Gross Profit Margin, increase when compared to last 2 quarters.

Other revenue

The Company's Other revenue is from gain(loss) from sale of assets, gain(loss) from foreign exchange translation, interest revenue and revenue from financial lease. In the first 9 months of 2020, the Company had Other Revenue of 7.74 million baht, or an increased by 5.40 million baht from the same period in 2019 as a result of gain from sale of assets.

Selling and Administrative expenses

For the first 9 months period of 2020, the Company's selling and administrative expense was equal to 137.96 million baht, an increase in the expense by 7.05 million baht, or increased by 5.39 percent from the same period in 2019 was a result from Staff expenses.

Net Profit

For the first 9 months period of 2020, the Company's Net Profit was equal to 31.52 million baht or equivalent to 3.49 percent of Net Profit Margin, a decrease by 1.78 million baht or 5.35 percent compared to same period of the previous year.

Financial Position Analysis

Unit : million baht

Statement of Financial Position	30 September 2020	31 December 2019	Increase / (Decrease)	
			Amount	%
Asset	898.08	864.50	33.58	3.88
Liabilities	277.75	252.36	25.39	10.06
Shareholder's equity	620.33	612.14	8.19	1.34

Assets

As of 30 September 2020, the Company's total assets was 898.08 million baht, an increase of 33.58 million baht or 3.88 percent as the following essence.

1. Cash and cash equivalents as of 30 September 2020 equals to 124.63 million baht, a decrease of 5.69 million baht from 31 December 2019 as a result of paid the dividends payment was 27.50 million baht on May 2020.

2. Trade and other receivables, net as of 30 September 2020 equals to 170.16 million baht, a decrease of 14.05 million baht from 31 December 2019 as a result of debt collection policy.

3. Property, plant and equipment-net, as of 30 September 2020, equals to 472.72 million baht, a decrease of 34 million baht from 31 December 2019 as a result of the company has asset usage rights list into the financial statements this year according to the financial reporting standard no.16, equals to 83.18 million baht

4. Finance lease receivables as of 30 September 2020 equals to 20.56 million baht had regarding the hire purchase of trucks and trailers.

Liabilities

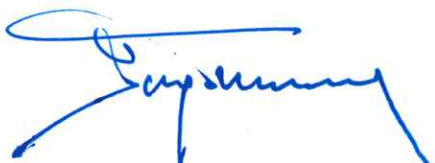
As of 30 September 2020, the Company's total liabilities was 277.75 million baht, an increase of 25.39 million baht or 10.06 percent as a result of Investment in land development to expand the logistics service area at Si Racha district, Chon Buri.

Shareholder's equity

As of 30 September 2020, the Company's total shareholders' equity was 620.33 million baht, a decrease of 8.19 million baht or 1.34 percent as a result of the net profit and the dividends payment, 27.50 million baht.

Please be informed accordingly,

Yours Sincerely,



Dr.Santisuk Kosiapanant (Ph.D)

Chief Executive Officer



SONIC INTERFREIGHT PUBLIC COMPANY LIMITED
บริษัท อินเตอร์เฟรท จำกัด (มหาชน)



(Mr.Ranut Lieolertsakulchai)

Director