

No. SONIC-004/2021

February 22, 2021

Subject Management Discussion and Analysis for year ended 31 December 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 year ended 31 December 2020 with details as follows:

Unit : million baht

Statements of Comprehensive Income	For the year ended 31 December				For the three-month period			
	2020	2019	Increase / (Decrease)		Q 4/2020	Q 3/2020	Increase / (Decrease)	
			Amount	%			Amount	%
Revenues from services	1,352.18	1,145.55	206.63	18.04	456.30	298.97	157.33	52.62
Cost of services	1,088.97	904.83	184.14	20.35	370.03	235.90	134.13	56.86
Gross profit	263.21	240.72	22.49	9.34	86.27	63.07	23.20	36.78
Other income	7.80	4.94	2.86	57.89	0.07	2.39	(2.32)	(97.20)
Selling & Administrative expenses	187.10	174.70	12.40	7.10	49.14	47.75	1.39	2.91
Finance costs	7.12	7.24	(0.12)	(1.66)	1.80	1.73	0.07	4.05
Share of profit (loss) from associate	(0.13)	(0.13)	0.00	0.00	0.02	(0.17)	0.19	(111.18)
Income tax	14.92	15.46	(0.54)	(3.49)	6.56	3.84	2.72	70.83
Net profit for the period	61.74	48.13	13.61	28.28	28.86	11.97	16.89	141.07
Other comprehensive income (expense)	(0.10)	-	(0.10)	-	-	-	-	-
Total comprehensive income for the year	61.64	48.13	13.51	28.08	28.86	11.97	16.89	141.07
Total comprehensive income for the period attributable to :								
Owners of the parent	59.74	46.53	13.21	28.39	28.22	11.53	16.69	144.75
Non-controlling interests	1.90	1.60	0.30	18.75	0.64	0.44	0.20	45.45

Revenue

The revenue from service for year ended 31 December 2020 was amounted to 1,352.18 million baht, increased from year ended 31 December 2019 by 206.63 million baht or by 18.04 percent. However, increased from 3-month period ended 30 September 2020 by 157.33 million baht or by 52.62 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 year ended 31 December				For the Three-month period			
	2020	2019	Increase / (Decrease)		Q 4/2020	Q 3/2020	Increase / (Decrease)	
			Amount	%			Amount	%
Sea Freight	892.28	744.81	147.47	19.80	326.16	184.81	141.35	76.48
Transportation	363.53	333.44	30.09	9.02	98.44	89.30	9.14	10.24
Air Freight	85.74	54.11	31.63	58.45	28.82	22.42	6.40	28.55
Other service /1	10.63	13.19	(2.56)	(19.41)	2.88	2.44	0.44	18.03
Total	1,352.18	1,145.55	206.63	18.04	456.30	298.97	157.33	52.62

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

1. Revenue from Sea Freight Services accounts for 65.99 % of the Company's total revenue from service. The Company's revenue from Sea Freight Services in the year ended 31 December 2020 was 892.28 million baht, an increased by 147.47 million baht or 19.80 percent compared to same period of the previous year and an increase by 141.35 million baht or 76.36 percent compared to Quarter 3/2020.

2. Revenue from Transportation Services accounts for 26.88 % of the Company's total revenue from service. The Company's revenue from Transportation Services in the year ended 31 December 2020 was 363.53 million baht, an increase by 30.09 million baht or 9.02 percent compared to same period of the previous year and an increase by 9.14 million baht or 10.24 percent compared to Quarter 3/2020.

3. Revenue from Air Freight Services accounts for 6.34 % of the Company's total revenue from service. The Company's revenue from Air Freight Services in the year ended 31 December 2020 was 85.74 million baht, an increase by 31.63 million baht or 58.45 percent compared to same period of the previous year and an increase by 6.40 million baht or 28.55 percent compared to Quarter 3/2020.

4. Revenue from Other Services such as distribution center service fee, dangerous good logistics accounts for 0.79 % of the Company's total revenue from service. The Company's revenue from Other Services in the year ended 31 December 2020 was 10.63 million baht, a decrease by 2.56 million baht or 19.41 percent compared to same period of the previous year and an increase by 0.44 million baht or 18.03 percent compared to Quarter 3/2020.

Cost of service.

For the year of 2020, the Company's cost of service was equivalent to 1,088.97 million baht or amounted to 80.53 percent from the revenue from service. Thus, the increase in cost of 184.14 million baht from the same period in 2019, or by 20.35 percent and an increase by 134.13 million baht or 56.86 percent compared to Quarter 3/2020 as a result of the costs depend on revenue and according with market competition conditions.

Gross Profit

For the year of 2020, the Company's Gross Profit was equal to 263.21 million baht, or equivalent to 19.47 percent of Gross Profit Margin. an increase in Gross Profit of 22.49 million baht from the same period in 2019, or by 9.34 percent and an increase by 23.20 million baht or 36.78 percent compared to Quarter 3/2020 as a result of the competitive situation in the market.

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. For the year of 2020, the Company had Other Revenue of 7.80 million baht, or an increased by 2.86 million baht from the same period in 2019 as a result of revenue from financial lease and gain from sale of assets.

Selling and Administrative expenses

For the year of 2020, the Company's selling and administrative expense was equal to 187.10 million baht, an increase in the expense by 12.40 million baht, or increased by 7.10 percent from the same period in 2019 was a result from Staff expenses.

Net Profit

For the year of 2020, the Company's Net Profit was equal to 59.74 million baht or equivalent to 4.39 percent of Net Profit Margin, an increase by 13.21 million baht or 28.39 percent compared to same period of the previous year.

Financial Position Analysis

Unit : million baht

Statement of Financial Position	31 December 2020	31 December 2019	Increase / (Decrease)	
			Amount	%
Asset	1,027.11	864.50	162.61	18.81
Liabilities	376.84	252.36	124.48	49.33
Shareholder's equity	650.27	612.14	38.13	6.23

Assets

As of 31 December 2020, the Company's total assets was 1,027.11 million baht, an increase of 162.61 million baht or 18.81 percent as the following essence.

1. Cash and cash equivalents as of 31 December 2020 equals to 107.66 million baht, a decrease of 22.67 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 31 December 2020 equals to 317.83 million baht, a decrease of 133.63 million baht from 31 December 2019 as a result of an increase of revenue. Most of the Group's trade receivable with accrued liability not more 3 months which is in accordance with collection period of the Company.

3. Property, plant and equipment-net, as of 31 December 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 31 December 2020 equals to 22.13 million baht had regarding the hire purchase of trucks and trailers.

Liabilities

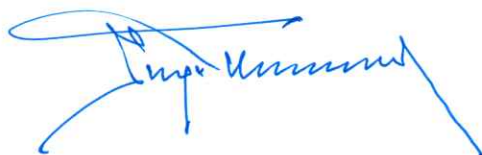
As of 31 December 2020, the Company's total liabilities was 376.84 million baht, an increase of 124.48 million baht or 49.33 percent as a result of short-term loans are borrowed to use in respect of cost of service in working capital

Shareholder's equity

As of 31 December 2020, the Company's total shareholders' equity was 650.27 million baht, a decrease of 38.13 million baht or 6.23 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 สอนิค อินเตอร์เฟรท จำกัด (มหาชน)



(Mr.Ranut Lieolertsakulchai)

Director