

Date 9 August 2022

Subject Management's Discussion and Analysis of the Financial Statements for the second quarter ended 30 June 2022.

To Managing Director of The Stock Exchange of Thailand

Enclosure Management's Discussion and Analysis of the Financial Statements for the second quarter ended 30 June 2022, both Thai and English, 1 set for each

Mena Transport Public Company Limited ("MENA") would like to submit the Company's reviewed financial statements for the second quarter ended 30 June 2022 to the Stock Exchange of Thailand.

The operation result of MENA for the second quarter ended 30 June 2022 registered a net profit amounting to 20.1 million Baht. Please see further details in the Management's Discussion and Analysis of the financial statements for the second quarter ended 30 June 2022 as attached.

Best regards,



(Mrs. Suwanna Kajonwuttidet)
Chief Executive Officer

Mena Transport Public Company Limited

Management Discussion and Analysis for the second quarter ended 30 June 2022

Mena Transport Public Company Limited (“MENA”) would like to report the operating result of 3-month and 6-month periods ended 30 June 2022 according to the Company’s financial statement which the details are as follows:

(Unit : Million Baht)

Statement of comprehensive income	For the three-month period				For the three-month period			
	Quarter 2 2022	Quarter 2 2021	Increase (decrease)	%	2022	2021	Increase (decrease)	%
Revenue from transportation and concrete transportation services	160.2	140.1	20.1	14	307.0	279.7	27.2	10
Revenue from sales	7.1	7.0	0.2	2	16.3	14.5	1.8	12
Total revenue	167.3	147.1	20.3	14	323.3	294.3	29.0	10
Cost of transportation and concrete transportation services	(133.2)	(114.9)	(18.3)	16	(255.7)	(229.9)	(25.8)	11
Cost of sales	(6.8)	(6.6)	(0.2)	3	(15.6)	(13.7)	(1.9)	14
Total cost	(140.0)	(121.5)	(18.4)	15	(271.3)	(243.7)	(27.6)	11
Gross profit	27.4	25.5	1.9	7	52.0	50.6	1.4	3
Other income	2.6	1.5	1.0	67	4.9	6.8	(1.9)	(28)
Selling expenses	(0.2)	(0.1)	(0.1)	75	(0.4)	(0.2)	(0.2)	76
Administrative expenses	(15.5)	(13.1)	(2.4)	18	(30.1)	(28.0)	(2.1)	8
Finance cost	(1.7)	(2.2)	0.4	(19)	(3.2)	(4.6)	1.3	(29)
Income tax expense	(1.2)	0.0	(1.2)	(19,808)	(3.1)	(2.8)	(0.3)	10
Profit for the period	11.3	11.7	(0.4)	(4)	20.1	21.8	(1.7)	(8)

Performance Overview

In the first half of the year 2022, MENA’s revenue increases from the same period of prior year because of the increase in service rate which is in-line with the increase in oil price, and the expansion of transportation services which are distribution of consumption products, specialty products and temperature-controlled transportation. However, the Company has a labor shortage, due to COVID-19 situation.

Revenue from concrete transportation services (Mixer)

Revenue from concrete transportation services is the revenue derived from mixer trucks which are vehicles that transport ready mix concrete to customers and revenue from fleet management. The mixer trucks will be stationed at ready mix concrete factory, which are more convenient to operate both concrete delivering and concrete pouring for customers.

Service income for the second quarter of 2022 (three months) was 106.7 million Baht, increased by 1.3 million Baht from the same period last year, reflecting a 1 percent increase. This was result from the increase in service rate in accordance with the increase in oil price. However, the volume of ready-mixed concrete MENA delivered declined by 2%, which is in-line with the decline of the volume of ready-mixed concrete use in Thailand by 1%, and the labor shortage.

Service income for the six-month period of 2022 was 209.0 million Baht, decreased by 3.3 million Baht from the same period last year, reflecting a 2 percent decline. This was result from the decrease in the volume of ready-mixed concrete MENA delivered by 5%, which is in-line with the decline of the volume of ready-mixed concrete use in Thailand by 4%, and the labor shortage. Service income decreased just 2% because the increase in service rate in accordance with the increase in oil price.

Revenue from transportation

The revenue from transportation is derived from the service by trailer, truck for distribution of consumption products, truck for specialty products and temperature-controlled truck.

Trailer is the vehicle in the type of tow truck which can change the type of semi-trailer depending on the usage, and revenue from fleet management. The customers of transport by trailers are manufacturers who hire MENA to deliver products to end users such as cement powder companies, construction materials companies and customers who are intermediaries in the transportation of goods such as consumer products and construction materials.

MENA provides distribution services of consumption products using 4-wheel trucks, 6-wheel trucks and 10-wheel trucks, transportation of animal food using tow truck and two trailers and temperature-controlled transportation.

Transportation income for the second quarter of 2022 (three months) was 53.5 million Baht, increased of 18.9 million Baht from the same period last year, reflecting a 54 percent growth because MENA has the revenue from distribution service of consumption products, transportation of animal food and temperature-controlled transportation of 15.0 million Baht. In addition, the service rate increased from the same period last year in accordance with the increase in oil price.

Transportation income for the six-month period of 2022 was 98.0 million Baht, increased of 30.5 million Baht from the same period last year, reflecting a 45 percent growth because MENA has the revenue from distribution service of consumption products, transportation of animal food and temperature-controlled transportation of 18.2 million Baht. In addition, the service rate increased from the same period last year in accordance with the increase in oil price.

Revenue from sales

Revenue from sales is the revenue generated by the selling of concrete, fly ash, and construction materials. MENA purchases and deliver construction products to the customer right away. So, MENA has no inventory.

Sales revenue in the second quarter of 2022 were 7.2 million Baht, increased 0.2 million Baht from the same period last year, marking a 2 percent increase due to the economic recovery.

Sales revenue for the six-month period of 2022 were 16.3 million Baht, increased 1.8 million Baht from the same period last year, marking a 12 percent increase due to the economic recovery.

Gross profit

Gross profit for the second quarter of 2022 (three months) was 16% decreased by 1% from the same period of prior year because the increase in oil price during the month. However, MENA has lower depreciation expense from the same period of prior year because some vehicles reached their useful life.

Gross profit for the six-month of 2022 was 16% decreased by 1% from the same period of prior year because the increase in oil price during the month. However, MENA has lower depreciation expense from the same period of prior year because some vehicles reached their useful life.

Profit for the period

The net profit for the second quarter of 2022 (three months) was 11.3 million Baht, decreased 0.4 million Baht or 4 percent over the same period the previous year, which was mainly from the loss from the investing in financial assets, the increase in administrative expenses and the increase in income tax expense.

The net profit for the six-month of 2022 was 20.1 million Baht, decreased 1.7 million Baht or 8 percent over the same period the previous year, which was mainly from the loss from the investing in financial assets, the increase in administrative expenses because of the allowance for expected credit loss according to the new accounting standard and the increase in income tax expense.

Financial ratio

Debt-to-Equity ratio (D/E ratio)

The debt-to-equity ratio (D/E ratio) increased from 0.29 times as of 31 December 2021 to 0.39 times as of 30 June 2022 because of the increase in lease liabilities from the investment in new vehicles and the dividend payment of 22.0 million Baht. MENA has the loan agreement with a financial institution requires debt to equity ratio of not more than 2.5 times and must not be less than 0, and not to have loss more than the capital throughout the term of the loan agreement. From the end of 31 December 2021 to 30 June 2022, MENA has been able to comply with financial covenants stated in the agreement.