

No. SONIC-013/2022

August 10, 2022

Subject Management Discussion and Analysis for the 6-month period ended 30 June 2022

To President

The Stock Exchange of Thailand

Sonic Interfreight Public Company Limited would like to hand over the analysis and details of the management's performance for the first half of 2022.

The turnover for the second quarter has increased substantially and also has set a new high for 7 consecutive quarters with details as follows:

Unit : million baht

Statements of Comprehensive Income	For the Six-month period ended 30 June				For the three-month period				
	2022	2021	Increase / (Decrease)		Q 2/2022	Q 1/2022	Q 2/2021	% Increase / (Decrease)	
			Amount	%				QoQ	YoY
Revenues from services	2,324.03	1,279.79	1,044.24	81.59	1,097.33	1,226.70	674.95	(10.55)	62.58
Cost of services	1,948.51	1,059.87	888.64	83.84	915.26	1,033.25	563.85	(11.42)	62.32
Gross profit	375.52	219.92	155.60	70.75	182.07	193.45	111.10	(5.88)	63.88
Interest revenue calculated using the effective interest method	4.92	2.30	2.62	113.91	2.72	2.20	1.52	23.64	78.95
Other income	16.21	3.87	12.34	318.86	14.23	1.98	2.41	618.69	490.46
Selling & Administrative expenses	152.44	115.08	37.36	32.46	76.04	76.40	58.88	(0.47)	29.14
Finance costs	5.25	4.11	1.14	27.74	2.41	2.84	1.98	(15.14)	21.72
Income tax	47.66	21.43	26.23	122.40	24.04	23.62	10.83	1.78	121.98
Net profit for the period	191.30	85.47	105.83	123.82	96.53	94.77	43.34	1.86	122.73
Total comprehensive income for the period attributable to :									
Owners of the parent	185.57	82.54	103.03	124.82	93.60	91.97	41.79	1.77	123.98
Non-controlling interests	5.73	2.93	2.80	95.56	2.93	2.80	1.55	4.64	89.03

Revenue

The revenue from service for the first 6-month period ended 30 June 2022 amounted to 2,324.03 million baht, an increase of 1,044.24 million baht or 81.59 percent compared to the same period of the previous year and for the 3-month period ended 30 June 2022 increased by 129.37 million baht or by

10.55 percent compared to Quarter 1/2022 and increased by 422.38 million baht or by 62.58 percent compared to Quarter 2/2020 which revenue from services can be categorized as follows ;

Unit : million baht

Segment	For the Six-month period ended 30 June				For the three-month period				
	2022	2021	Increase / (Decrease)		Q 2/2022	Q 1/2022	Q 2/2021	% Increase / (Decrease)	
			Amount	%				QoQ	YoY
Sea Freight	1,849.53	997.33	852.20	85.45	843.61	1,005.92	531.52	(16.14)	58.72
Transportation	236.72	218.17	18.55	8.50	119.32	117.40	111.03	1.64	7.47
Air Freight	227.64	57.97	169.67	292.69	129.01	98.64	28.42	30.79	353.94
Other service /1	10.14	6.32	3.82	60.44	5.39	4.74	3.98	13.71	35.43
Total	2,324.03	1,279.79	1,044.24	81.59	1,097.33	1,226.70	674.95	(10.55)	62.58

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

1. Revenue from Sea Freight Services accounts for 79.58 % of the Company's total revenue from service. The Company's revenue from Sea Freight Services in the first 6-month period ended 30 June 2022 was 1,849.53 million baht and increased by 852.20 million baht or 85.45 percent compared to the same period of the previous year and for the 3-month period ended 30 June 2022 decreased by 162.31 million baht or 16.14 percent compared to Quarter 1/2022 and increased by 312.09 million baht or 58.72 percent compared to Quarter 2/2021 due to adjustment of the sea freight rate.

2. Revenue from Transportation Services accounts for 10.19 % of the Company's total revenue from service. The Company's revenue from Transportation Services in the first 6-month period ended 30 June 2022 was 236.72 million baht, an increase by 18.55 million baht or 8.50 percent compared to the same period of the previous year and for the 3-month period ended 30 June 2022 increased by 1.92 million baht or 1.64 percent compared to Quarter 1/2022 and increased by 8.29 million baht or 7.47 percent compared to Quarter 2/2021 due to increasing of the number of services by truck.

3. Revenue from Air Freight Services accounts for 9.80 % of the Company's total revenue from service. The Company's revenue from Air Freight Services in the first 6-month period ended 30 June 2022 was 227.64 million baht, an increase by 169.67 million baht or 292.69 percent compared to the same period of the previous year and for the 3-month period ended 30 June 2022 decreased by 30.37 million baht or 30.79 percent compared to Quarter 1/2022 and increased by 100.59 million baht or 353.94 percent compared to Quarter 2/2021 due to the increase in the air freight rate and new customer increase.

4. Revenue from Other Services such as distribution center service fees, dangerous good logistics accounts and Container Yard service fee for 0.44 % of the Company's total revenue from service. The Company's revenue from Other Services in the 6-month period ended 30 June 2022 was 10.14 million baht, an increase of 3.82 million baht or 60.44 percent compared to the same period of the previous year and for the 3-month period ended 30 June 2022 increased by 0.65 million baht or 13.71 percent compared to Quarter 1/2022 and increased by 1.41 million baht or 35.43 percent compared to Quarter 2/2021 due to the increasing distribution center service fees and the Container Yard service fee.

Cost of service.

For the first 6-month period ended 30 June 2022, the Company's service cost was equivalent to 1,948.51 million baht or 83.84 percent of the revenue from service. Thus, the increase in the cost of 888.64 million baht from the same period of the previous year, or by 83.84 percent, and for the 3-month period ended 30 June 2022 decreased by 117.99 million baht or 11.42 percent compared to Quarter 1/2022 and increased by 351.41 million baht or 83.84 percent compared to Quarter 2/2021 due to the costs depend on revenue and according to with market competition conditions.

Gross Profit

For the first 6-month period ended 30 June 2022, the Company's Gross Profit was equal to 375.52 million baht or equivalent to 16.16 percent of the Gross Profit Margin. an increase in Gross Profit of 155.60 million baht from the same period of the previous year, or by 70.75 percent, and for the 3-month period ended 30 June 2022 decrease by 11.38 million baht or 5.88 percent compared to Quarter 1/2022 and increased by 70.97 million baht or 63.88 percent compared to Quarter 2/2020 due to the competitive situation in the market.

Interest revenue calculated using the effective interest method

For the first 6-month period ended 30 June 2022, the Company's Interest revenue calculated using the effective interest method was equal to 4.92 million baht an increase of 2.62 million baht from the same period of the previous year, or by 113.91 percent, and for the 3-month period ended 30 June 2022 increase by 0.52 million baht or 23.64 percent compared to Quarter 1/2022 and increased by 1.20 million baht or 78.95 percent compared to Quarter 2/2021 regarding the hire purchase of trucks and trailers.

Other revenue

The Company's Other revenue is from gain from foreign exchange translation, interest revenue, and Insurance claim compensation. For the first 6-month period ended 30 June 2022, the Company was another Revenue of 16.21 million baht, an increase by 12.34 million baht from the same period of the previous year, or by 318.86 percent and for the 3-month period ended 30 June 2022 increased by 12.25 million baht

or 618.69 percent compared to Quarter 1/2022 and increased by 11.82 million baht or 490.46 percent compared to Quarter 2/2021, the increase was a result of revenue from gain from foreign exchange translation.

Selling and Administrative expenses

For the first 6-month period ended 30 June 2022, the Company's selling and administrative expenses were equal to 152.44 million baht. This increased by 37.36 million baht from the same period of the previous year and for the 3-month period ended 30 June 2022 decreased by 0.36 million baht compared to Quarter 1/2022 and increased by 17.16 million baht compared to Quarter 2/2021. However, The proportion compared with income was 6.82 % for the 3-month period ended 30 June 2022, was 6.21 of Quarter 1/2022 and was 8.67 of Quarter 2/2021 respectively. It indicates that the proportion compared with income to Company's selling and administrative expense were decrease from 2021.

Net Profit

For the first 6-month period ended 30 June 2022, the Company's Net Profit was equal to 185.57 million baht or equivalent to 7.91 percent of Net Profit Margin, an increase by 103.03 million baht or 124.82 percent compared to the same period of the previous year, for the 3-month period ended 30 June 2022 increased by 1.63 million baht or 1.77 percent compared to Quarter 1/2022 and increased by 51.81 million baht or 123.98 percent compared to Quarter 2/2021 respectively.

Financial Position Analysis

Unit : million baht

Statement of Financial Position	30 June 2022	31 December 2021	Increase / (Decrease)	
			Amount	%
Asset	1,756.71	1,657.10	99.61	6.01
Liabilities	609.21	628.77	(19.56)	(3.11)
Shareholder's equity	1,130.73	1,014.75	115.98	11.43

Assets

As of 30 June 2022, the Company's total assets were 1,756.71 million baht, an increase of 99.61 million baht or 6.01 percent as the following essence.

1. Cash and cash equivalents as of 30 June 2022 equals 315.01 million baht, an increase of 80.99 million baht from 31 December 2021 which was from the increased cash receipt from the operation although paid the dividends payment was 78.91 million baht on May 2022.
2. Trade and other receivables as of 30 June 2022 equal to 646.44 million baht, an increase of 18.47 million baht from 31 December 2021 as a result of an increase in revenue. Most of the Group's trade

receivable with accrued liability, not more than 3 months which is in accordance with the collection period of the Company.

3. Property, plant, and equipment as of 30 June 2022 equal 575.74 million baht, a decrease of 4.12 million baht from 31 December 2021 as a result of the depreciation and disposals assets.

4. Finance lease receivables as of 30 June 2022 equals 121.77 million baht, an increase of 14.30 million baht from 31 December 2021 as a result of an increase regarding the hire purchase of trucks and trailers.

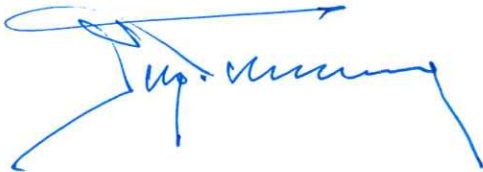
Liabilities

As of 30 June 2022, the Company's total liabilities were 609.21 million baht, a decrease of 19.56 million baht or 3.11 percent as a result of a decrease in the long-term borrowings from financial institutions and lease liabilities.

Shareholder's equity

As of 30 June 2022, the Company's total shareholders' equity was 1,130.73 million baht, an increase of 115.98 million baht or 11.43 percent as a result of the net profit.

Please be informed accordingly,



Dr.Santisuk Kosiarpnanant (Ph.D)
Chief Executive Officer

Yours Sincerely,



SONIC INTERFREIGHT PUBLIC COMPANY LIMITED
บริษัท สอนิค อินเตอร์เฟรท พับลิค จำกัด (มหาชน)



(Mr.Ranut Lieolertsakulchai)
Director