



Namyong Terminal Public Company Limited

Management analysis for the third quarter ended 30 September 2019

Overall

Namyong Terminal Public Company Limited ("the Company") reported net profit for the third quarter and the 9-month period ended 31 September 2019 amounting Baht 93.5 million and Baht 298.3 million, respectively; decrease by Baht 24.7 million or 20.9% and Baht 16.5 million or 5.2% compared to the corresponding periods of previous year. The change was more than 20%; therefore the Company would like to clarify the major courses of the change in the Company's operating results as follow.

Revenue

For FY2019, the Company reported revenue for the third quarter was Baht 356.2 million, decrease by 7.3% and for the 9-month period Baht 1,104.3 million, increase by 1.1% from the corresponding periods of previous year as details below.

Unit: Thousand Baht

	3rd Quarter				9-month period			
	2019	2018	Variance	%	2019	2018	Variance	%
Service revenue	269,515	303,547	(34,032)	(11.2%)	854,066	881,685	(27,619)	(3.1%)
Other service revenue	75,130	67,054	8,076	12.0%	213,840	178,303	35,537	19.9%
Interest income	4,270	7,125	(2,855)	(40.1%)	14,108	24,109	(10,001)	(41.5%)
Other income	7,279	6,419	860	13.4%	22,304	8,374	13,930	166.3%
Total revenue	<u>356,194</u>	<u>384,145</u>	<u>(27,951)</u>	<u>(7.3%)</u>	<u>1,104,318</u>	<u>1,092,471</u>	<u>11,847</u>	<u>1.1%</u>

1. Revenues from terminal services and related services for the third quarter of 2019 valued Baht 269.5 million, decrease by Baht 34.0 million or 11.2%, and for the 9-month period of 2019 was Baht 854.1 million, decrease by Baht 27.6 million or 3.1% when compared to the corresponding periods of previous year. These mainly due to decrease in number of cars shipped through the Company's terminal especially in third quarter of 2019; 28,085 or 11.3 % less than the comparing period.
2. Revenue from warehousing services for the third quarter and the 9-month period of 2019 amounted Baht 75.1 million and Baht 213.8 million; increase Baht 8.1 million or 12.0% and Baht 35.5 million or 19.9% when compared to the corresponding periods of previous year. The increase were from the a new major customer utilized service area since August 2018.

Expenses

1. Cost of services for the third quarter 2019 amounting Baht 193.3 million, decrease Baht 3.7 million or 1.9% from the comparing period. The decrease was from direct costs of terminal services such as port remuneration and shifting cost, in line with drop in the terminal service revenues. For the 9-month period, cost of services amounting Baht 589.1 million, increase Baht 13.5 million or 2.3%, mainly due to rise of land rental and property tax.
2. Administrative expenses of Baht 34.7 million for third quarter and Baht 114.5 million for the 9-month period of 2019 decreased Baht 6.9 million and Baht 5.2 million from the corresponding periods which mainly from drops in office depreciation and provision for bad debts.

Profit (loss) sharing from investment in associate

For the third quarter and the 9-month period of 2019, the Company realized loss from investment in associate of Baht 7.7 million and Baht 17.4 million, compared to the previous year profit sharing of Baht 3.5 million and Baht 2.3 million, respectively. These losses were recorded because, in the current period, the associate had less general cargo throughputs due to the economic downturn. The recent increase in percent sharing from investment in the associate was also another factor.

Please be informed accordingly.

Sincerely yours,



(Miss Pimkam Leungsuwan)

Chief Financial Officer