



No. ACC6202/002

February 28, 2019

Subject: Explanation of Financial Performance for Year 2018 ended December 31, 2018

To: President,
The Stock Exchange of Thailand

According to the Financial Statements of Advanced Connection Corporation Public Company Limited (“the Company”) and its subsidiaries for the year 2018 ended December 31, 2018, appear as comprehensive operating net Loss of the Company THB 38.98 million compare with performance for the prior year appear as comprehensive operating net Loss of the Company THB 48.81 million, decrease from the prior year THB 9.83 million, due to the following reasons as follows;

1. Total incomes of the Company increase to THB 94.52 million equal to 30.06% against to the same period of last year mainly due to:

- 1.1) Revenue from Sales increase THB 11.63 million equal to 68.07% since the Company expended products to all Home Pro branches, the Mall and Siam Paragon
- 1.2) Revenue from selling of electricity decrease THB 3.68 million or 3.98%
- 1.3) Revenue from Real Estate Development decrease THB 68.94 million or 85.33% due to the revenue from selling only 2 units.
- 1.4) Revenue from Banqueting and Restaurant increase THB 15.71 million or 21.58%. Due to the subsidiary bring back the Banqueting and Restaurant business to operate by itself since April 2017. Before that the subsidiary rent out to outsider.
- 1.5) Revenue from renting realty decrease THB 28.47 million or 82.00% due to the subsidiary bring back the Banqueting and Restaurant business to operate by itself. The company sold Land and Property Factory in Bangpoo Industrial Estate since January 18, 2018.
- 1.6) Other revenue increase THB 160.89 million or 980.20% since the Company profitable from selling Land and Property in Bangpoo Industrial Estate and condominium units at Country Complex.



2. The Cost of sales and services of the Company decrease THB 57.10 million or 25.49% from following reasons;

- 2.1) Cost of selling fan decrease THB 22.26 million due to the Company reserved for loss from outdated products due to the outdated products are sold.
- 2.2) Cost of renewable energy increase THB 1.42 million or 3.10% due to the subsidiary added solar panel and increase depreciation.
- 2.3) Cost of Real Estate Development decrease THB 41.10 million or 82.67% due to in the subsidiary recognize revenue from selling 2 unit.
- 2.4) Cost of Banqueting and Restaurant increase THB 19.24 million and cost of renting property decrease THB 14.40 million due to the subsidiary bring back the Banqueting and Restaurant business to operate by itself instead of rent out and the Company sold Land and Property factory in Bangpoo Industrial Estate.

3. The Company has selling, and administrative expenses increase THB 160.11 million or 203.68% due from following reasons;

- 3.1) Selling and service expenses increase THB 1.27 million or 8.15%.
- 3.2) Administrative expenses increase THB 158.85 million or 251.95% due to set loss from the impairment of equipment from Solar Farm and also from bringing back the Banqueting and Restaurant business to operate by itself making the cost of management increase 14.39 million.

4. Financial cost decrease THB 21.64 million or 36.56% due to the Company has redeemed debenture THB 600 million and issued new debenture THB 255.20 million, decrease accrued interest.

Please be clarified to announce for investors and other interested persons accordingly.

Yours Sincerely,

A handwritten signature in blue ink, reading 'Ekawat Swetarat', is positioned above the printed name.

(Mr.Ekawat Swetarat)

Acting Managing Director