



# GRANDE ASSET

HOTELS & PROPERTY

7 May 2018

Subject: Reasons for changing in result of operating for the first quarter of 2018 over 20% when compare with the same period of last year

Attention: The President  
Stock Exchange of Thailand

Grande Asset Hotels and Property Public Company Limited and its subsidiaries (“the Company and Subsidiaries”) would like to clarify the result of operating of the Company and Subsidiaries for the first quarter of 2018 which was changed over 20% from the same period of last year as follows:

1. The increase in sales of real estate of the Company of Baht 275 million when compared with the same period of last year. Most of the income came from Hyde Sukhumvit 11 Condominium units transferred since quarter 4/2017. Cost of sales of real estate also increases proportionally with that sales. However, the gross margin of real estate of the Company was decreased with the same period of the last year came from Hyde Sukhumvit Condominium which was the lower average cost than Hyde Sukhumvit 11 Condominium.
2. The increase in cost of hotel operations of the subsidiary when compared with the same period of last year due to rental expenses of Sheraton Huahin Resort and Spa hotel from trust which has commenced since October 2017.
3. The increase in other income of the Company of Baht 26 million when compared with the same period of last year came from the deposit seizure of the default agreement of real estate customers and the project development and management fees incurred between the Company and an affiliated company.
4. The selling expenses increased by Baht 15 million when compared with the same period of last year, which was the result of the special business tax, transfer fee and commission fee in related to transfer of Condominium as aforementioned in 1.
5. The administrative expenses of the Company increased by Baht 23 million when compared with the same period of last year mainly represented staff costs and consultancy fee which increased as per the growth of the Company’s business.
6. The income tax of the Company increased by Baht 14 million from the same period of last year in line with the current Company’s profit before tax.

Please be kindly informed accordingly.

Yours Sincerely,

Mr. Paisit Kaenchan

Chief Executive Officer

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