



No. ACC6308/001

August 11, 2021

Subject: Clarification of the operating results quarter 2/2021 of the year ended June 30, 2021

Attention : Director and Managing Director,

The Stock Exchange of Thailand

According to Advance Connection Corporation Public Company Limited, the “Company” has submitted the financial statements of the Company and its subsidiaries for the 6 months period of the second quarter of 2021 ending on June 30, 2021. It appears that the operating results of this period had a net loss of 14.46 million baht, but in the same period of the previous year had a net loss of 35.39 million baht, a net loss decreased from the same period of the previous year equal to 20.93 million baht;

The company has an important changes to clarify as follows.

1. Total revenues of the group of companies for the second quarter of 2021 had total revenue of 75.04 million baht, a decrease of 16.35 million baht or 17.89% when compared to the same period of the previous year due to

1.1 Revenue from sales of 0.31 million baht, a decrease of 3.55 million baht or 91.98 percent due to the company has canceled the sale of fans.

1.2 Revenue from electricity sales amounted to 54.25 million baht, an increase of 4.43 million baht or 8.89% due to the company requesting to replace the solar panel, increasing the production capacity.

1.3 Revenue from the banquet halls and restaurants amounted to 1.42 million baht, a decrease of 14.72 million baht or 91.19% due to the company announced the suspension of business due to the impact of the Coronavirus (COVID-19) epidemic.

1.4 Revenue from real estate development business amounted to 6.06 million baht, an increase of 0.06 million baht or 1.07%. Resulting in the company being able to recognize revenue of 1 unit.

1.5 The Company has income from real estate rental and has 1 tenant, the rent costs 12,000 baht per month, but in the quarter 2/2021, the company has income from real estate rental of 0.58 million baht, an increase of 0.50 million baht due to the auction of fans



and LED lamps. The company allows the bidder to deposit the goods without compensation. According to Thai Financial Reporting Standards No. 15, companies must use revenue from sales of goods, recognized as income from renting a place for depositing goods according to the period of deposit.

1.6 Revenue from contractors amounted to 11.91 million baht, a decrease of 0.88 million baht or 6.87% due to revenue recognition according to the stage of success.

1.7 Income from loans of 0.15 billion baht to 0.08 million baht, an increase of 131.25 percent in the quarter 2/2021, the Company had loans of 2.00 billion baht.

1.8 Revenue from solar panel sales amounted to 3.76 million baht, an increase of 100%, due to in the quarter 2/2021 the company sold old solar panels.

1.9 Other income amounted to 0.72 million baht, a decrease of 1.91 million baht or 71.97% due to a decrease in interest income.

2. Cost of goods sold and services of the Company's group total of 35.56 million baht, a decrease of 13.91 million baht or 26.22%, details are as follows:

- 2.1 Fans cost of sales decreased by 3.33 million baht, a decrease of 3.33 million baht or 100% due to the reversal of the impairment of products into the cost of sales account equal to the cost of sales.
- 2.2 The cost of renewable energy amounted to 15.19 million baht, a decrease of 0.21 million baht or 1.37%.
- 2.3 Costs from banquet halls and restaurants amounted to 7.59 million baht, a decrease of 14.31 million baht or 65.36% from the announcement of the cessation of business due to the impact of the Coronavirus (COVID-19) pandemic.
- 2.4 Real estate development costs were 3.56 million baht, a decrease of 0.08 million baht or 0.23%.
- 2.5 Cost of real estate rental of 0.09 million baht, a decrease of 0.13 million baht or 12.62% due to a decrease in tenants.



2.6 Construction costs were 8.53 million baht, a decrease of 0.63 million baht or 6.91 percent, decrease in proportion to the revenue decline.

2.7 The cost of solar panels amounted to 4.17 million baht, an increase of 100% due to the 2 quarter of the year 2021, the company sold the old panels for sale.

3. The company had sales and administrative expenses of 38.51 million baht, a decrease of 18.24 million baht or 32.14% due to

3.1 Cost of distribution decreased in the amount of 1.95 million baht, a decrease of 2.55 million baht or 56.62% from the cancellation of the fan business and LED lamps and the temporary cessation of the restaurant and catering business.

3.2 Administrative expenses in the amount of 36.52 million baht, a decrease of 15.69 million baht or 30.03 percent, mainly due to expenses in the same period of the previous year 1) Employee termination compensation of 4.71 million baht in the restaurant and catering business 2) Legal Profession Fees from litigation against former directors amounting to 16.67 million baht

4. Financial costs were 9.05 million baht, a decrease of 0.68 million baht or 32.14% due to a decrease in long-term loans from Saraburi Power Plant.

Therefore, clarified to disseminate to investors and interested people in general

Best Regards,

--Angoon Phimphorn--
(Mr. Angoon Phimphorn)
Managing Director