

No. ACC6502/005

February 28, 2022

Subject: Clarification of the operating results Year 2021 of the year ended December 31, 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 12 months period of the year 2021 ending on December 31, 2021. It appears that the operating results of this period had a net loss of 78.23 million baht, but in the same period of the previous year had a net loss of 68.06 million baht, a net loss increased from the same period of the previous year equal to 10.16 million baht of increase 14.93 percent;

The company has an important change to clarify as follows.

1. Total revenues of the group of companies for the year of 2021 had total revenue of 128.09 million baht, a decrease of 15.93 million baht or 11.50% 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 11.37 million baht or 97.32 percent due to the company has canceled the sale of fans.

1.2 Revenue from electricity sales amounted to 94.65 million baht, a decrease of 3.90 million baht or 3.96%.

1.3 Revenue from the real estate rental to 0.65 million baht, an increase of 0.50 million baht, an increase of 348.61% 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.

1.4 Revenue from real estate development business amounted to 6.10 million baht, an increase of 0.10 million baht or 1.67%.

1.5 Revenue from contractors amounted to 17.14 million baht, a decrease of 0.25 million baht or 1.42%.

1.6 Other income amounted to 3.44 million baht, a decrease of 1.06 million baht or 23.58% due to a decrease in dividend income.

2. Cost of goods sold and services of the Company's group total of 53.03 million baht, an increase of 1.58 million baht or 3.05%, details are as follows:

2.1 Fans cost of sales decreased by 1.36 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 30.26 million baht, an increase of 0.32 million baht or 1.08% due to increased repair and maintenance costs.

2.3 Cost of real estate rental of 0.18 million baht, a decrease of 0.02 million baht or 8.63% due to a decrease in tenants.

2.4 Real estate development costs were 3.63 million baht, a increase of 0.55 million baht or 12.95%.

2.5 Construction costs were 13.17 million baht, a decrease of 2.83 million baht or 17.70 percent, decrease in proportion to the revenue decline.

3. The company had distribution cost and administrative expenses of 81.17 million baht, a decrease of 1.42 million baht or 1.72% due

3.1 Cost of distribution decreased in the amount of 3.92 million baht, a decrease of 2.12 million baht or 35.12% from the cancellation of the fan business and LED lamps.

3.2 Administrative expenses in the amount of 77.25 million baht, an increase of 0.70 million baht or 0.91 percent.

4. Impairment loss on assets in the amount of 23.04 million baht, and increase of 22.53 million baht from the increase of impairment of investment in subsidiary.

5. Financial costs were 17.62 million baht, a decrease of 1.99 million baht or 10.14% 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

