



Date: 28 February 2022

Subject: Management Discussion and Analysis For the operating results of 2021

To: President  
The Stock Exchange of Thailand

Apex Development Public Company Limited (“the Company”) would like to deliver the explanation and analysis of the management for the operating results of 2021 as follows:

**Table 1 : The consolidated profit and loss statement for year ended 31 December 2020**

Unit : Million Baht

	Jan-Dec 2020	%	Jan-Dec 2021	%	Change Inc/(Dec)	Change %
Revenue from sales of land and real estate	500.61	99.3	674.26	100	173.65	34.7
Revenue from decoration service	0.00	0.0	0.00	0.0	0.00	0.0
Revenue from service	3.53	0.7	0.11	0.0	(3.42)	(96.9)
<b>Total Revenue</b>	<b>504.14</b>	<b>100.00</b>	<b>674.37</b>	<b>100.0</b>	<b>170.23</b>	<b>33.8</b>
Cost of sales of land and real estate	585.62	117.0	607.12	90.0	21.50	3.7
Cost of decoration service	0.00	0.0	0.00	0.0	0.00	0.0
Cost of service	7.16	202.8	6.26	5690.9	(0.90)	(12.6)
<b>Total Cost</b>	<b>592.78</b>	<b>117.6</b>	<b>613.38</b>	<b>91.0</b>	<b>20.60</b>	<b>3.5</b>
<b>Gross profit (loss)</b>	<b>(88.64)</b>	<b>-17.6</b>	<b>60.99</b>	<b>9.0</b>	<b>149.63</b>	<b>(168.8)</b>
Interest income	34.57	6.9	52.73	7.8	18.16	52.5
Gain (loss) from disposal in a subsidiary	166.30	33.0	0.00	0.0	(166.30)	(100.0)
Gain from sales of investment property	22.73	4.5	0.00	0.0	(22.73)	(100.0)
Other income	5.59	1.1	0.54	0.1	(5.05)	(90.3)
Gain (loss) from exchange rate (net)	1.29	0.3	0.00	0.0	(1.29)	(100.0)
<b>Profit before expenses</b>	<b>141.84</b>	<b>28.1</b>	<b>114.26</b>	<b>16.9</b>	<b>(27.58)</b>	<b>(19.4)</b>
Selling and servicing expenses	45.83	9.1	67.01	9.9	21.18	46.2
Administrative expenses	112.53	22.3	61.59	9.1	(50.94)	(45.3)
Losses from provision for delivery delay	0.00	0.0	0.00	0.0	0.00	0.0
Share of loss of a joint venture	17.82	3.5	26.72	4.0	8.90	49.9
<b>Total expenses</b>	<b>176.18</b>	<b>34.9</b>	<b>155.32</b>	<b>23.0</b>	<b>(20.86)</b>	<b>(11.8)</b>
<b>Loss before Fin Cost &amp; income tax</b>	<b>(34.34)</b>	<b>(6.8)</b>	<b>(41.06)</b>	<b>(6.1)</b>	<b>(6.72)</b>	<b>19.6</b>
Finance costs	324.67	64.4	357.33	53.0	32.66	10.1
Income tax	15.48	3.1	(1.49)	(0.2)	(16.97)	(109.6)
<b>Loss for the period</b>	<b>(374.49)</b>	<b>(74.3)</b>	<b>(396.90)</b>	<b>(58.9)</b>	<b>(22.41)</b>	<b>6.0</b>



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### **Revenue from sales of land and real estate and service**

The Companies have total revenue of 674.37 million Baht (2020: 504.14 million Baht), an Increase of 170.23 million Baht or 33.8 %, from the sale of Sigma Resort Hotel in Chonburi Province. Total value 550 million Baht.

### **The Service Cost**

The total costs of the Companies were 613.38 million Baht, an Increase of 20.60 million Baht or 3.50 % (2020: 592.78 million Baht). The increase was due to the selling cost of Sigma Resort Hotel Jomtien Pattaya with total value at 514.36 million Baht, and the sale of 4 houses in the White Sand Beach Pattaya project with a total cost of 55.14 million Baht.

### **Gross Profit**

The Companies gross profit were 60.99 million baht (2020 : (88.64 million baht)), an increase of 149.63 million baht or 169.80 %. The increase was due to the reversal of impairment provisions from the sale of Sigma Resort Jomtien Pattaya amounting to 129.43 million Baht, which is included as part of the cost of sales, reduce cost of sales, as a result, this year's gross profit increased with such reversal.

### **Selling and Administrative Expense**

The Companies have selling and administrative expenses ("SG&A") at 155.32 million Baht (2020 : 176.17 million Baht), a decrease of 20.86 million Baht or equal to 11.80%, from the salary.

### **Financial Cost**

The Companies' financial costs were 357.33 million Baht (2020 : 324.67 million Baht), an increase of 32.66 million Baht or equivalence to 10.1 %. The increased financial costs are due to the relatively high interest rates.

### **Net Profit after Tax**

The Company net loss after tax ("NAT") at 396.9 million Baht (2022 : 374.49 million Baht) an increase of 22.41 million Baht or 6.0 % increase in net loss. It comes from the cost of sales and services, come from salary.

Please be informed accordingly

Yours Sincerely,

Mr. Pongphan Sampawakoo  
Chairman of the Board of Directors