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MJD.IR. 008/2022

12 May 2022

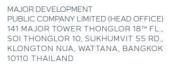
Subject : Clarification of the operating result for the first quarter of 2022 ended March 31, 2022

Attention : Director and Manager

The Stock Exchange of Thailand

Major Development Public Company Limited ("The Company") would like to inform that the consolidated financial statement for the first quarter of 2022 ended March 31, 2022 performed total revenue of Baht 585.11 million and net loss of Baht 49.77 million whereas the performance of the same period in 2021 delivered total revenue of Baht 1,254.09 million and net loss of Baht 27.88 million. The major factors are detailed as follows.

- Total revenue in Q1/2022 was Baht 585.11 million, decreased by Baht 668.98 million or 53.34% comparing to Q1/2021 results of total revenue of Baht 1,254.09 million. Due mainly to the following reasons:
  - Revenue from sales in Q1/2022 amount Baht 481.44 million decreased by Baht 677.93 million or 58.47%, comparing to Q1/2021's sales of Baht 1,159.37 million. In Q1/2021, the backlog from Maru Ekkamai 2 Project and Maru Ladprao 15 Project which completed construction at the end of 2020, had been continuing transferred and recognized. While in Q1/2022, the Company had been transferring Muniq Luangsuan Project with total amount of Baht 1,021.31 million. However, this project was developed under join venture company which held 51% of shares by the Company, it did not consolidate the revenue from sales of this project in to the consolidated financial statement.
  - Revenues from hotel operations in Q1/2022 amount Baht 27.74 million increased by Baht 11.59 million or 71.76%, comparing with Baht 16.15 million in Q1/2021. Although the outbreak of COVID-19 remained robust during the period, the vaccination rate had been higher and the severity of the symptom had been lesser. As a result, the government had no domestic travelling restrictions in Q1/2022 unlike in Q1/2021's. Moreover, the consequences of relaxing the travel restrictions from foreign countries to Thailand had caused the increasing in occupancy rate of the Company's hotel operations business, comparing to the same period of last year.
  - Management fee income in Q1/2022 amount Baht 19.86 million decreased by Baht 5.73 million or 22.39%, comparing with Baht 25.59 million in Q1/2021. It was resulting from Muniq Sukhumvit 23 Project and Muniq Langsuan Project construction completion which had ended both project's management agreements.
  - Rental income in Q1/2022 of Baht 29.01 million increased by Baht 6.79 million or 30.56%, comparing to Baht 22.22 million in Q1/2021 due to the opening of Major Tower Rama 9 – Ramkumhang office building and the increasing of new tenants at



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Major Tower Thonglor office building, replacing the previously tenants impacted by COVD-19.

- 2. Total expenses in Q1/2022 were Baht 624.23 million decreased by Baht 460.21 million or 42.44%, comparing with Q1/2021 of total expenses Baht 1,084.44 million. Due mainly to the following reasons:
  - Cost of sales in Q1/2022 of Baht 355.49 million decreased by Baht 356.48 million or 50.07%, comparing to Baht 711.97 million in Q1/2021, which was varied by sales decreased. The cost of sales percentage to sales in Q1/2022 and Q1/2021 were 73.84% and 61.41% respectively.
  - Cost from hotel operations in Q1/2022 amount Baht 29.07 million slightly decreased by Baht 0.05 million or 0.17%, comparing with Baht 29.12 million in Q1/2021, while the revenue from hotel operations increased.
  - Selling expenses in Q1/2022 of Baht 76.40 million decreased by Baht 106.59 million or 58.25%, comparing to Baht 182.99 million in Q1/2021. This is due to the decreasing in commission, advertisement and sales promotions expenses which was associated with the decline in sales.
  - Administrative expenses in Q1/2022 was Baht 136.57 million slightly increased by Baht 4.83 million or 3.67%, comparing with Baht 131.74 million in Q1/2021.
- 3. Share of profit from investments in joint ventures in Q1/2022 was Baht 92.69 million, increased by Baht 102.93 million, comparing to share of loss from investment of Baht 10.24 million in Q1/2021. The recognition in Q1/2021 was solely from Muniq Sukhumvit 23 Project transferred. However, in Q1/2022 the recognition was from the transfer of Muniq Langsuan Project, started to transfer in December 2021 with significant amount of backlog to be continue recognizing over the period.
- 4. Finance cost in Q1/2022 was Baht 121.94 million, decreased by Baht 49.73 million or 28.97%, comparing to Baht 171.67 million in Q1/2021. This was due to the decreasing of interest-bearing debt amount for the period.

Please be informed accordingly,

Sincerely yours,

(Mr.Suriya Poolvoralaks)