

THANASIRI

Ref. THANA_FA 002/2022

May 12, 2022

Sub: Explanation for Change of Net Income for the 1st quarter of year 2022 ended March 31, 2022

To: Board of SET

The Financial Statements and the Consolidated Financial Statements for the 1st quarter of year 2022 ended March 31, 2022 of the Company and its Subsidiary had been approved according to the resolution of the 2/2022 Board of directors meeting dated May 12, 2022.

The company had reported a consolidated net profit for the 1st quarter of year 2022 ended March 31, 2022 attributable to owners of the Parent of 16.9 million Baht, increasing 18.6 million Baht compared to the same period of the previous year with net loss of 1.7 million Baht. The change of operation results came from following respective reasons:

1. Revenue from house sold increased 105.6 million Baht or 260.7% in the 1st quarter of year 2022 ended March 31, 2022 compared to the same period of the year 2021 due to increasing house sold in new project, Thana Habitat Groove Pinklao-Sirintorn, which had Grand opening in December 2021 and had continuing volume of visitors and sales by which the Company would have 3 new projects to recognize revenue this year.
2. Gross profit rate of 32.1%, decreasing 6.3% compared to the 1 quarter of year 2021 ended March 31, 2021 which total revenue from house sold of 40.5 million Baht had core revenue recognized from single large houses sold with high gross profit. However, the gross profit of the 1st quarter of year 2022 was recognized from new project gross profit and the rate was according to the plan.
3. Other income increased 2.3 million Baht from the same period of the previous year mainly from Project Management Service Fee in Joint Venture which had increasing revenue from house sold of 29.4 million Baht compared to the same period of the previous year.
4. The Selling expenses for the 1st quarter of year 2022 ended March 31, 2022 were 7.3% of revenue from house sold, decreasing 2.7% compared to the same period of previous year due to increasing in revenue from house sold, and the company had exercised cost management policy to emphasize on online marketing channel in order to decreasing marketing expenses. However, the selling expenses rate at 7.3% of revenue from house sold was according to the plan.

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5. The Administration expenses for the 1st quarter of year 2022 ended March 31, 2022 were 22.8 million Baht increasing 5.1 million Baht or 29.0% comparing to the same period of previous year due to One-time expenses of 4 million Baht for employee health care during Covid-19 pandemic and professional fees. However the Company had restructured, developed new operating strategy of the company and recruited new team for growth in developing new projects, community management services and strengthen the management team.
6. Finance cost for the 1st quarter of year 2022 ended March 31, 2022 total 3.2 million Baht, increased 1.0 million Baht compared to the same period of previous year due to loans for new project development.
7. Shared Profit of investment recognized for the 1st quarter of year 2022 ended March 31, 2022 total 4.7 million Baht, increased 0.9 million Baht compared to the same period of previous year due to increasing revenue from house sold of 29.4 million Baht or 60.9% in the Joint venture.

The information herein contained is for your information and consideration.

Yours truly,

THANASIRI GROUP PLC.



Mr. Sutthirak Sateanraphapayut
Chief Executive Officer