



May 12, 2022

Subject: Management Discussion and Analysis for the operating results for Quarter 1/2022

To President  
The Stock Exchange of Thailand

Asiasoft Corporation Public Company Limited (“the Company”) has submitted the financial statements of the Company and subsidiaries for Quarter 1/2022 ended March 31, 2022, which was reviewed by our Auditor, Mazars Limited and approved by the Board of Directors on May 12, 2022.

**Key Highlights for Q1/2022 vs Q1/2021**

- Revenue decreased 6%
- Gross profit decreased 17%
- Net profit decreased 1.8%

**Summary of Q1/2022**

Asiasoft is able to maintain positive growth momentum as a result of proper planning and dynamic behaviour of the company.

Financial Statement	Profit & Loss for 3 months ended March 31, 2022 and 2021 and 31 December 2021									
	Q1/2022	%	Q1/2021	%	Q4/2021	%	Variance YoY	%	Variance QoQ	%
Revenues from sales and services	403.8	100.0	429.6	100.0	502.2	100.0	(25.8)	(6.0)	(98.4)	(19.6)
Cost of sales and services	(195.4)	(48.4)	(178.6)	(41.6)	(221.5)	(44.1)	(16.8)	9.4	26.1	(11.8)
<b>Gross Profit (Loss)</b>	<b>208.4</b>	<b>51.6</b>	<b>251.0</b>	<b>58.4</b>	<b>280.7</b>	<b>55.9</b>	<b>(42.6)</b>	<b>(17.0)</b>	<b>(72.3)</b>	<b>(25.8)</b>
Selling & Admin Expenses	(135.1)	(33.5)	(106.9)	(24.9)	(133.8)	(26.6)	(28.2)	26.4	(1.3)	1.0
<b>Operating Profit (Loss) *</b>	<b>73.3</b>	<b>18.2</b>	<b>144.1</b>	<b>33.5</b>	<b>146.9</b>	<b>29.3</b>	<b>(70.8)</b>	<b>(49.1)</b>	<b>(73.6)</b>	<b>(50.1)</b>
Others	29.6	7.3	(39.7)	(9.2)	(10.4)	69.2	69.3	(174.6)	40.0	(384.6)
<b>Net Profit (Loss) **</b>	<b>102.9</b>	<b>25.5</b>	<b>104.8</b>	<b>24.4</b>	<b>136.5</b>	<b>27.2</b>	<b>(1.9)</b>	<b>(1.8)</b>	<b>(33.6)</b>	<b>(24.6)</b>

**1. Revenues**

Revenues from sales and services for the 1<sup>st</sup> quarter of 2022 were **Baht 403.8 million**, a decrease from the same period of the previous year **by 6%** while a decrease **by 19.6%** from the previous quarter caused mainly by the significant decrease in revenue from subsidiaries in Malaysia. During the 1<sup>st</sup> quarter of 2022, there were no game launches from Malaysia but in the same period of the previous year, there was a significant contribution from the new game launch. The company strongly believes that with the game launching pipeline both domestic and overseas in the next coming months, the Company can achieve its annual budget. The structure of revenue from sales and services in the 1<sup>st</sup> quarter of 2022 for the domestic and overseas markets is 40.6: 59.4 %



Unit: Million Baht	Revenue for 3 months ended March 31, 2022 and 2021 and 31 December 2021									
	Q1 2022		Q1 2021		Q4 2021		Variance YoY		Variance QoQ	
Revenue by country		%		%		%		%		%
Thai	164	40.6%	114	26.5%	201	40.0%	50.1	44.1%	(37.2)	-18.5%
Singapore	144	35.6%	102	23.8%	121	24.1%	41.6	40.7%	22.8	18.8%
Malaysia	33	8.2%	163	37.9%	43	8.6%	(129.6)	-79.6%	(9.7)	-22.6%
Philippines	44	10.8%	49	11.5%	136	27.1%	(5.6)	-11.3%	(92.3)	-67.8%
Vietnam	19	4.8%	-	-	-	-	19.2	100.0%	19.2	100.0%
Others	-	-	2	0.3%	1	0.2%	(1.5)	-100.0%	(1.0)	-100.0%
Total	404	100.0%	430	100.0%	502	100.0%	(25.8)	-6.0%	(98.2)	-19.6%

## 2. Cost of Goods Sold

The Cost of Goods Sold for the 1<sup>st</sup> quarter of 2022 was **Baht 195.4 million** increased from the same period of the previous year by **9.4%** as the result of new reclassifications in subsidiaries from Singapore and the Philippines from selling and administrative expense to the cost of goods sold from the 2<sup>nd</sup> quarter of 2021 onward. In addition, the COGS decreased by **11.8%** from the prior quarter (4<sup>th</sup> quarter of 2022) due to a decrease in revenue.

## 3. Gross Profit

Gross profit for the 1<sup>st</sup> quarter of 2022 was **Baht 208.4 million** or **51.6%** of revenues from sales and services, which decreased by **17%** from the same period of the previous year, due to new reclassifications in subsidiaries from Singapore and the Philippines from selling and administrative expense to cost of goods sold from the 2<sup>nd</sup> quarter of 2021 onward.

## 4. Selling and Admin Expenses

Selling and Admin Expenses for the 1<sup>st</sup> quarter of 2022 was **Baht 135.1 million**, increased from the same period of the previous year by **26.4%** mainly due to marketing expenses from new game launches during the 1<sup>st</sup> quarter of 2022 in both domestic and overseas. The upfront and pre-marketing expenses for the new game launch are around 70-80% of the total game marketing budget during the first 1-2 months of the game launch. In addition, the company donated to the Thai Red Cross in a blood donation campaign amounting to **Baht 4 million**

## 5. Net Profit

The Company has a net profit of **Baht 102.9 million** or **25.5%** of revenue from sales and services, a slight drop of **1.8%** from the same period of the previous year due to a decrease in revenue.

Kindly be informed accordingly.

Yours faithfully,

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Mr. Pramoth Sudjitporn  
Chairman

