



(Translation)

No. 014/2022

13 May 2022

Subject: Clarification on Change in Operating Result Exceeding 20% for the Period Ended 31 March 2022

To: President  
The Stock Exchange of Thailand

Asset Five Group Public Company Limited (“the Company”) would like to clarify operating result for the three-month period ended 31 March 2022 reviewed by the certified auditor regarding change from the last same period of last year exceeding 20%. The details are as follows:

Unit: Baht

Items	three-month period ended 31 Mar 2022	three-month period ended 31 Mar 2021	Increase (Decrease)	
			Baht	%
Revenues from sale of real estate	319,709,489	139,799,502	179,909,987	128.69%
Other income				
Income from land disposal	-	105,246,429	(105,246,429)	(100.00%)
Income from contract cancellation	1,420,475	6,951,450	(5,530,975)	(79.57%)
Other	907,257	1,986,973	(1,079,716)	(54.34%)
<b>Total revenues</b>	<b>322,037,221</b>	<b>253,984,354</b>	<b>68,052,867</b>	<b>26.79%</b>
Cost of sale of real estate	210,986,535	108,328,374	102,658,161	94.77%
Distribution costs	25,986,768	10,605,241	15,381,527	145.04%
Administrative expenses	15,071,284	10,772,720	4,298,564	39.90%
<b>Total cost</b>	<b>252,044,587</b>	<b>129,706,335</b>	<b>122,338,252</b>	<b>94.32%</b>
<b>Profit (Loss) from operating activities</b>	<b>69,992,634</b>	<b>124,278,019</b>	<b>(54,285,385)</b>	<b>(43.68%)</b>
Finance costs	(1,787,593)	(5,529,725)	3,742,132	(67.67%)
Share of profit (loss) from investments in joint ventures	(1,343,084)	200,689	(1,543,773)	769.24%
<b>Profit (loss) before income tax</b>	<b>66,861,957</b>	<b>118,948,983</b>	<b>(52,087,026)</b>	<b>(43.79%)</b>

Unit: Baht

Items	three-month period ended 31 Mar 2022	three-month period ended 31 Mar 2021	Increase (Decrease)	
			Baht	%
Tax (expense) income	(14,811,092)	(23,838,284)	9,027,192	(37.87%)
Profit (loss) for the period	52,050,865	95,110,699	(43,059,834)	(45.27%)
Profit (Loss) attributable to Owners of the parent	50,075,501	91,954,726	(41,879,225)	(45.54%)

For the three-month period ended 31 March 2021, the Company's net profit increased by 43.06 Million Baht or 45.27%. Details of significant changes in operating results are as follows:

1. Revenues from sale of real estate of the Company and subsidiary in the first quarter of 2022 has realized income of 319.71 Million Baht from selling of houses from Vana Resident Rama 9 - Srinakarin project, worth 310.62 Million Baht, from Rachaya Nadee project, worth 6.07 Million Baht, from selling of ready-for-sale condominium from Vio Khaerai 1 and 2 project, worth 3.02 Million Baht which increased by 179.91 Million Baht or 128.69% compared to the same quarter of last year. This was mainly due to the increase in the transfer of ownership of the houses of the Vana Resident Rama 9 - Srinakarin project because the houses in the project were completed and ready to move in together with effective marketing. As a result, sales increased in this quarter.

2. Other income decreased by 111.86 Million Baht or 97.96% compared to the same quarter of last year since the first quarter of 2021 the Company recognized profit from the sale of land of the project that has stopped development in the amount of 105.25 Million Baht and also recognized income from the cancellation of the reservation payment the down payment and the contract payment from the cancellation of 6.95 Million Baht. While in the first quarter of 2022 the Company recognized income from the cancellation of the reservation payment the down payment and the contract payment from the cancellation of 1.42 Million Baht due to decreasing in contract termination.

3. Cost of sale of real estate increased by 102.66 Million Baht or 94.77% compared to the same quarter of the previous year, which is in the same direction as the increase in income which increased at the rate of 128.69%. However, the said cost increased at a lower rate than the revenue from sales since during the first quarter of 2022, the Company pays more attention to pricing strategy and to the more efficient project cost management.

4. Distribution costs increased by 15.38 Million Baht or 145.04% compared to the same quarter of the previous year due to commission and the cost of ownership transfer increased by 16.73 Million Baht due to the increase in sales and transfer of ownership of houses. This corresponds to the increase in real estate sales revenue.

5. Administrative expenses increased by 4.30 Million Baht or 39.90% compared to the same quarter of the previous year mainly due to In the first quarter of 2022, the Company has organized public relations activities to promote the Company's image. After the Company's securities was permitted to resume trading on the Stock Exchange of Thailand again. During the first quarter of 2022, the total operating expenses were 1.70 Million Baht and the cost of repairing the homes of the customers of the Vana Residence project under warranty increased by 1 Million Baht. The number of guarantees increased from the transfer of ownership.

6. Financial costs decreased by 3.74 Million Baht or 67.67% compared to the same quarter of the previous year mainly since the average balance of borrowings during the quarter decreased significantly (during the year 2021, the Company repaid loans from financial institutions and loans from related parties and other persons in the amount of 573.12 Million Baht and 88.47 Million Baht, respectively).

7. Share of loss from investments in joint ventures increased by 1.54 Million Baht or 769.24% compared to the same quarter of the previous year mainly because in the first quarter of 2021 Tonson Development Company Limited (Joint venture) had revenue from the termination of contracts with customers. As a result, the Company had a share of profit of 0.20 Million Baht, while in the first quarter of 2022 the Company had no revenue recognition. This was because the project had not yet been completed and no customer canceled the contract during the quarter resulting in share loss from investment in joint venture in the amount of 1.34 Million Baht.

8. Income tax expense decreased by 9.03 Million Baht or 37.87% compared to the same quarter of the previous year which is in the same direction as the lower net profit before income tax.

Please be informed accordingly

Sincerely yours

Asset Five Group Public Company Limited

Signed

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(Mr. Supachoke Panchasarp)

Managing Directors