



Date: 17 May 2022

Subject: Management Discussion and Analysis For the operating results as at 31 March 2022

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 as at 31 March 2022 as follows:

Table 1 : The consolidated profit and loss statement

Unit: Million Baht

	JAN - MAR 2021	%	JAN - MAR 2022	%	Change Inc/(Dec)	Change %
Revenue from sales of land and real estate	586.11	100.00	44.55	100.00	(541.56)	(92.40)
Revenue from decoration service	-	-	-	-	-	-
Revenue from service	0.02	-	0.02	-	(0.02)	(100.00)
Total Revenue	586.13	100.00	44.55	100.00	(541.58)	(92.40)
Cost of sales of land and real estate	536.34	91.51	35.71	80.16	(500.63)	(93.34)
Cost of decoration service	-	-	-	-	-	-
Cost of service	1.83	0.31	2.12	4.76	0.29	15.85
Total Cost	538.17	91.82	37.83	84.92	(500.34)	(92.97)
Gross profit (loss)	47.96	8.18	6.72	15.08	(41.24)	(85.99)
Interest income	12.01	2.05	14.81	33.24	2.80	23.31
Gain (loss) from disposal in a subsidiary	-	-	-	-	-	-
Gain from sales of investment property	-	-	-	-	-	-
Other income	0.09	0.02	0.35	0.79	0.26	(288.89)
Profit before expenses	60.06	10.25	21.88	49.11	(38.18)	(63.57)
Selling and servicing expenses	47.69	8.14	5.25	11.78	(42.44)	(88.99)
Administrative expenses	14.52	2.48	13.39	30.06	(1.13)	(7.78)
Losses from provision for delivery delay	-	-	-	-	-	-
Share of loss of a joint venture	6.05	1.03	7.43	16.68	1.38	22.81
Total expenses	68.26	11.65	26.07	58.52	(42.19)	(61.81)
Loss before Fin Cost & income tax	(8.20)	(1.40)	(4.19)	(9.41)	4.01	(48.90)
Finance costs	87.37	14.91	68.32	153.36	(19.05)	(21.80)
Income tax	0.63	0.11	0.19	0.43	(0.44)	(69.84)
Loss for the period	(94.94)	(16.20)	(72.32)	(162.33)	22.62	(96.94)

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- 2 -

Revenue from sales of land and real estate

The Companies had total revenue of 44.55 million Baht (2021 : 586.13 million Baht), an decrease of 541.56 million Baht or 92.40%, mainly due to sale of land and building of Sigma Hotel Pattaya, total amount 550 million Baht. For sales of real estate, sale of Movenpick Residences 1 unit and sale Movenpick Pool Villas 2 units, due to COVID-19 outbreak prevention which occurred in many areas including activity control and traveling restriction, the Companies were not able to organize the sales and promotion activities, moreover land and developing real estates were in the restricted areas with severe spread which required closing the area. This resulted in the customers not being able to travel to visit the project.

The Total Cost

The total cost of the Companies was 37.83 million Baht, an increase of 500.34 million Baht or 92.97% (2021 : 538.17 million Baht). The decrease was due to the cost of sale of land and building of Sigma Hotel Pattaya, while other costs of sales decreased in proportion to the Company's revenue was 129.43 million baht.

Gross Profit

The Companies' gross profit was 6.72 million Baht (2021 : 47.96 million Baht), an decrease of 41.24 million Baht or 85.99%.

Selling and Administrative Expense

The Companies had selling and administrative expenses ("SG&A") at 18.64 million Baht (2021 : 62.21 million Baht), an decreased of 43.57 million Baht or 96.77%. Lower sales and administrative expenses came from lower employees.

Financial Cost

The Companies' financial costs were 68.32 million Baht (2021 : 83.37 million Baht), an decrease of 19.05 million Baht or 21.80%. The reduction in finance costs was the result of Eighteen Dragons Investment's interest cut.

Net Profit after Tax

The Company net loss after tax ("NAT") of 72.32 million Baht (2021 : 94.94 million Baht) a net loss decreased of 22.62 million Baht or 96.94%. The net loss was reduced due to lower selling and service expenses.

Please be informed accordingly

Yours Sincerely,

(Mr. Pongphan Sampawakoo)

Chairman of the Board of Directors