



Aug 11, 2022

Subject: Management Discussion and Analysis for the operating results for Quarter 2/2022

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 2/2022 ended June 30, 2022, and 6 months period ended June 30, 2022, which was reviewed by our Auditor, Mazars Limited and approved by the Board of Directors on August 11, 2022.

**Key Highlights for Q2/2022 vs Q1/2022**

- Revenue decreased by 1.2%
- Gross profit decreased 2.5%
- Net profit decreased 14.7%

**Summary of Q2/2022**

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

Unit : Million Baht	Profit & Loss for 3 months ended June 30, 2022 and 2021 and 31 March 2022									
Financial Statement	Q2/2022	%	Q1/2022	%	Q2/2021	%	Variance QoQ	%	Variance YoY	%
Revenues from sales and services	399.0	100.0	403.8	100.0	427.3	100.0	(4.8)	(1.2)	(28.3)	(6.6)
Cost of sales and services	(195.9)	(49.1)	(195.4)	(48.4)	(214.6)	(50.2)	(0.5)	0.3	18.7	(8.7)
<b>Gross Profit (Loss)</b>	<b>203.1</b>	<b>50.9</b>	<b>208.4</b>	<b>51.6</b>	<b>212.7</b>	<b>49.8</b>	<b>(5.3)</b>	<b>(2.5)</b>	<b>(9.6)</b>	<b>(4.5)</b>
Selling & Admin Expenses	(102.2)	(25.6)	(135.1)	(33.5)	(101.8)	(23.8)	32.9	(24.4)	(0.4)	0.4
<b>Operating Profit (Loss) *</b>	<b>100.9</b>	<b>25.3</b>	<b>73.3</b>	<b>18.2</b>	<b>110.9</b>	<b>26.0</b>	<b>27.6</b>	<b>37.7</b>	<b>(10.0)</b>	<b>(9.0)</b>
Others	(13.0)	(3.3)	29.7	7.4	(0.8)	(11.9)	(42.7)	(143.8)	(12.2)	1,525.0
<b>Net Profit (Loss) **</b>	<b>87.9</b>	<b>22.0</b>	<b>103.0</b>	<b>25.5</b>	<b>110.1</b>	<b>25.8</b>	<b>(15.1)</b>	<b>(14.7)</b>	<b>(22.2)</b>	<b>(20.2)</b>

Unit : Million Baht	Profit & Loss for 6 months ended June 30, 2022 and 2021					
Financial Statement	6 months 2022	%	6 months 2021	%	Variance YoY	%
Revenues from sales and services	802.8	100.0	856.9	100.0	(54.1)	(6.3)
Cost of sales and services	(391.3)	(48.7)	(393.1)	(45.9)	1.8	(0.5)
<b>Gross Profit (Loss)</b>	<b>411.5</b>	<b>51.3</b>	<b>463.8</b>	<b>54.1</b>	<b>(52.3)</b>	<b>(11.3)</b>
Selling & Admin Expenses	(237.3)	(29.6)	(208.7)	(24.4)	(28.6)	13.7
<b>Operating Profit (Loss) *</b>	<b>174.2</b>	<b>21.7</b>	<b>255.1</b>	<b>29.8</b>	<b>(80.9)</b>	<b>(31.7)</b>
Others	16.7	2.1	(40.1)	(4.7)	56.8	(141.6)
<b>Net Profit (Loss) **</b>	<b>190.9</b>	<b>23.8</b>	<b>215.0</b>	<b>25.1</b>	<b>(24.1)</b>	<b>(11.2)</b>

**1. Revenues**

Revenues from sales and services for the 2<sup>nd</sup> quarter of 2022 were **Baht 399 million**, a decrease from the previous quarter **by 1.2%** while a decrease **by 6.6%** from the same quarter as the previous year was caused mainly by the decrease in revenue from Thailand. During the 2<sup>nd</sup> quarter of 2022, there were no game



In addition, in the 6 months ended June 30, 2022, the revenue was **Baht 802.8 million**, a decrease from the previous year 6.3%

The company strongly believes that with the game launching pipeline both domestic and overseas in the second half of the year 2022, the Company should be able to achieve its annual budget. The structure of revenue from sales and services in the 2<sup>nd</sup> quarter of 2022 for the domestic and overseas markets is 31.6%: 68.4%

Unit: Million Baht		Profit & Loss for 3 months ended June 30, 2022 and 2021 and 31 March 2022									
Revenue by country	Q2/2022	%	Q1/2022	%	Q2/2021	%	Variance QoQ	%	Variance YoY	%	
Thai	126	31.6%	164	40.6%	122	28.6%	(37.8)	-23%	-4	3%	
Singapore	145	36.3%	144	35.6%	144	33.7%	1.3	1%	1	1%	
Malaysia	47	11.8%	33	8.2%	90	21.1%	13.7	41%	(43)	-48%	
Philippines	54	13.5%	44	10.8%	70	16.4%	10.3	23%	(16)	-23%	
Vietnam	27	6.8%	19	4.8%	-	0.0%	7.8	40%	27	100%	
Others	-	-	-	-	1	0.2%	-	-	(1)	-100%	
Total	399	100%	404	100%	427	100%	(5)	-1%	(28)	-7%	

## 2. Cost of Goods Sold

The Cost of Goods Sold for the 2<sup>nd</sup> quarter of 2022 was **Baht 195.9 million**, which is similar to previous quarters but a decrease from the same period of the previous year by **8.7%**. In addition, the COGS for 6 months period ended June 30, 2022, was **Baht 391.3 million** which is the same level as the prior year.

## 3. Gross Profit

Gross profit for the 2<sup>nd</sup> quarter of 2022 was **Baht 203.1 million** or **50.9%** of revenues from sales and services, which decreased by **2.5%** from the prior quarter and a decrease of **4.5%** from the same quarter of the previous year, due to a decrease in revenue. In addition, the gross profit for 6 months ended 30 June 2022 was **Baht 411.5 million** which is the same level as the previous year with the same period.

## 4. Selling and Admin Expenses

Selling and Admin Expenses for the 2<sup>nd</sup> quarter of 2022 was **Baht 102.2 million**, a decrease from the previous quarter by **25.6%** mainly due to a reduction in 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. Meanwhile, selling and administrative expenses for the six-month period ended June 30, 2022 amounted to 237.3 million baht, an increase of 29.6% from the same period of the previous year. Due to the marketing cost of new games launched in the first half of 2022

## 5. Net Profit

The Company has a net profit of **Baht 87.9% million** or **22%** of revenue from sales and services, a drop of **14.7%** from the previous quarter.



6. Digital Assets

During Q2 2022, the Company disposed of investment in digital assets for **Baht 5 million**. As of 30 June 2022, the company do not have any position on the digital assets.

Kindly be informed accordingly.

Yours faithfully,

Mr. Pramoth Sudjitporn  
Chairman