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SET. 031/2022

November 11, 2022

Subject: Management Discussion and Analysis for Q3/2022

To: The President

Copy: The Stock Exchange of Thailand

AQ Estate Public Company Limited has a list of information that the Board of Directors considered in accordance with the resolutions of the Board Meeting No. 13/2022 on November 11, 2022 at 3:00 p.m. The meeting's resolution was to consider and approve the 3<sup>rd</sup> Quarter, 2022 Financial Statements as at September 30, 2022. The Financial Statements have been reviewed by a certified public accountant, and the Board's resolutions have been reported to the Office of the Securities and Exchange Commission of Thailand.

Therefore, AQ Estate Public Company Limited would like to report the operating results for the 3<sup>rd</sup> Quarter, 2022, with a net profit of 15.04 million baht against a net loss of 19.10 million baht for the same period in 2021. The difference in profit is greater than 20% for the following reasons:

Unit: Million Baht

	Q3/2022	Q3/2021	Increase (Decrease)	%Increase (Decrease)
Revenues from Sales and Services	121.55	304.35	(182.80)	(60.06)
Cost of Sales and Services	101.07	307.35	(206.27)	(67.11)
Gross profit	20.48	(3.00)	23.48	783.42
Other Incomes	87.66	69.11	18.55	26.85
Expenses	87.13	81.87	5.26	6.42
Financial Costs	6.02	3.49	2.53	72.53
Income Tax	0.04	0.16	(0.11)	(71.97)
Profit (loss) for the year	15.04	(19.10)	34.13	178.73

Revenue from sales and services of the Company and its subsidiaries amounted to 121.55 million baht in Q3/2022. By comparison, revenues from sales and services was 304.35 million baht in the prior period 2021, a decrease of 182.80 million baht or 60.06% due to the following reasons:

1. Revenue from real estate sold in Q3/2022 amounted to 67.11 million baht and 290.21 million baht in the prior period 2021, a decrease of 223.10 million baht or 76.88%, mainly due to a

decrease in real estate sales. In the prior period 2021 the company has sale all the project as a result the company's income is higher.

2. Income from the hotel and services business of the Company and its subsidiaries amounted to 54.45 million baht in Q3/2022 against 14.14 million baht in the prior period 2021, an increase of 40.31 million baht or 285.08%. The COVID-19 pandemic significantly affected hotel operations in Q3/2021, while Q3/2022 has improved due to the government's easing of COVID-19 control measures and foreign tourists Increased tourism in Thailand.
3. Other income of the Company and its subsidiaries amounted to 87.66 million baht and 69.10 million baht in Q3/2022 and Q3/2021 respectively, an increase of 18.56 million baht or 26.86%. The main reason is from the recording of other revenue from fair value of invest in common share amount 76.66 million baht are record in other income.
4. Cost of sales and services amounted to 101.01 million baht in Q3/2022 compared to 307.45 million baht in Q3/2021, resulting in a decrease of 206.27 million baht or 67.11%. The reason is due to decreased sales.
5. Gross profit of the Company and its subsidiaries in Q3/2022 amounted to positive 15.04 million baht in comparison to negative (19.10) million baht in Q3/2021, the gross profit is increase 34.13 million baht or 178.73%. The decline is due to decreased cost because of the company and its subsidiaries in property unit has Gross profit amounted to positive 12.13% and prior period in 2021 has Gross profit amounted to negative (6.28)%.
6. Total selling and administrative expenses amounted to 87.13 million baht in Q3/2022. In the prior period Q3/2021, selling and administrative expenses were 87.87 million baht, a decrease of 5.26 million baht or 6.42%.
7. Income tax of the Company and its subsidiaries amounted to 0.04 million baht and 0.04 million baht in Q3/2022 and Q2/2021 respectively, an increase of 0.11 million baht or 71.97%.

For the aforementioned reasons, the Company and its subsidiaries had a net profit of 15.04 million baht in Q3/2022.

Please be informed accordingly and disseminate such information further.

Yours Sincerely,

(Mr. Chamnarn Wangtal)

Director

(Mr. Chanon Wangtal)

Director