

TEL.: 02 392 1111 FAX.: 02 392 2255 MAJOR.CO.TH



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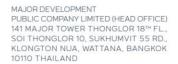
Subject : Clarification of the operating result for the year 2022 ended December 31, 2022

Attention : Director and Manager

The Stock Exchange of Thailand

Major Development Public Company Limited ("The Company") would like to inform that the consolidated financial statement for the year 2022 ended December 31, 2022 performed total revenue of Baht 2,981.97 million and net loss of Baht 370.40 million whereas the performance of the same period in 2021 delivered total revenue of Baht 4,443.41 million and net loss of Baht 353.26 million. The major factors are detailed as follows.

- Total revenue of 2022 was Baht 2,981.97 million, decreased by Baht 1,461.45 million or 32.89% comparing to 2021's results of total revenue of Baht 4,443.41 million. Due mainly to the following reasons:
 - Revenue from sales in 2022 amount Baht 2,371.71 million decreased by Baht 1,639.17 million or 40.87%, comparing to 2021's sales of Baht 4,010.88 million. In 2021, the backlog from Maru Ekkamai 2 Project and Maru Ladprao 15 Project which completed construction at the end of 2020, had been continuing transferred and recognized. While in 2022, The Company had been transferring Muniq Luangsuan Project with total amount of Baht 1,791.68 million and Muniq Sukhumvit 23 Project with total amount of Baht 255.82 million. However, these projects were developed under join venture company which held 51% of shares by The Company, the revenue from sales of these projects were not consolidated in to the consolidated financial statement.
 - Revenues from hotel operations in 2022 amount Baht 177.08 million increased by Baht 79.09 million or 80.71%, comparing with Baht 97.99 million in 2021. Covid-19 controls were lifted and no travel restrictions from foreign countries were established, causing the increased in occupancy rate from both domestic and foreign travelers, comparing to the same period of last year.
 - Management fee income in 2022 amount Baht 78.89 million decreased by Baht 17.51 million or 18.16%, comparing with Baht 96.39 million in 2021. It was resulting from Muniq Langsuan Project construction completion which had ended the project's management agreement in 2021.
 - Rental income in 2022 of Baht 132.74 million increased by Baht 40.06 million or 43.22%, comparing to Baht 92.68 million in 2021 due to the additional tenants at Major Tower Rama 9 — Ramkumhang office building and the increasing of new tenants at Major Tower Thonglor office building, replacing the previously tenants whose leases had expired.



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- 2. Total expenses in 2022 were Baht 3,017.07 million decreased by Baht 1,184.94 million or 28.20%, comparing with 2021's total expenses of Baht 4,202.01 million. Due mainly to the following reasons:
 - Cost of sales in 2022 of Baht 1,714.86 million decreased by Baht 977.17 million or 36.30%, comparing to Baht 2,692.04 million in 2022, which was varied by sales decreased. The cost of sales percentage to sales in 2022 and 2021 were 72.30% and 67.12% respectively.
 - Cost from hotel operations in 2022 amount Baht 136.38 million increased by Baht 18.04 million or 15.24%, comparing with Baht 118.34 million in 2021. The increased in cost from hotel operations was relating to the increased in its revenues.
 - Selling expenses in 2022 of Baht 365.23 million decreased by Baht 176.38 million or 32.57%, comparing to Baht 541.61 million in 2021. This was due to the decreasing in commission, transferring fee, special business tax and other expenses relating to sale and transfer activities.
 - Administrative expenses in 2022 was Baht 692.62 million decreased by Baht 55.84 million or 7.46%, comparing with Baht 748.46 million in 2021.
- 3. Share of profit from investments in joint ventures in 2022 was Baht 147.53 million, increased by Baht 141.44 million, comparing to share of profit from investment of Baht 6.08 million from transferring of Muniq Luangsuan Project in 2021.
- 4. Finance cost in 2022 was Baht 504.31 million, decreased by Baht 82.98 million or 14.13%, comparing to Baht 587.29 million in 2021. It was due to capitalized interest, added as part of the project development cost for under construction projects.

Please be informed accordingly,

Sincerely yours,

(Mr. Suriya Poolvoralaks)

Executive Director and Managing Director