



-Translation-

SET. 006/2023

February 28, 2023

Subject: Management Discussion and Analysis for Year 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. 2/2023 on February 28, 2023 at 3:00 p.m. The meeting's resolution was to consider and approve the year 2022 Financial Statements as at December 31, 2022. The Financial Statements have been Audited 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 year 2022, with a net profit of 128.46 million baht against a net loss of 495.16 million baht for the same period in 2021. Increase profits from the same period 2021 amount 623.62 million baht. The difference in profit is greater than 20% for the following reasons:

Unit: Million Baht

	2022	2021	Increase (Decrease)	%Increase (Decrease)
Revenues from Sales and Services	607.82	1,035.43	(427.61)	(41.30)
Cost of Sales and Services	503.57	1,330.77	(827.20)	(62.16)
Gross profit	104.25	(295.34)	399.59	135.30
Other Incomes	383.81	235.30	148.51	63.12
Expenses	349.77	418.10	(68.33)	(16.34)
Financial Costs	8.06	10.36	(2.30)	(22.20)
Income(Expense) Tax	-1.77	-6.66	4.89	(73.42)
Profit (loss) for the year	128.46	(495.16)	623.62	125.94
Profit (loss) Owner of the parent	128.41	(495.11)	623.52	125.94
Profit (loss) non controlling interest	0.05	(0.05)	0.10	200.00

Revenue from sales and services of the Company and its subsidiaries amounted to 607.82 million baht in the year 2022. By comparison, revenues from sales and services was 1,035.43 million baht in the prior period 2021, a decrease of 427.61 million baht or 41.30% due to the following reasons:

1. Revenue from real estate sold in 2022 amounted to 445.20 million baht and 968.31 million baht in the prior period 2021, a decrease of 523.11 million baht or 54.02%, 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 149.55 million baht in 2022 against 67.12 million baht in the prior period 2021, an increase of 82.43 million baht or 122.81%. 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. Revenues from loan interest of the company and its subsidiaries amounted 13.07 million baht; because of the company had buy subsidiaries on Q2/2022.
4. Other income of the Company and its subsidiaries amounted to 383.81 million baht and 235.30 million baht in 2022 and 2021 respectively, an increase of 148.51 million baht or 63.12%. The main reason is from the recording of other revenue from fair value of invest in common share amount 76.66 million baht and dividend from invest common share amount 70 million baht are record in other income.
5. Cost of sales and services amounted to 503.57 million baht in the year 2022 compared to 1,330.77 million baht in the year 2021, resulting in a decrease of 827.20 million baht or 62.16%. The reason is due to decreased sales.
6. Gross profit of the Company and its subsidiaries in the year 2022 amounted to positive 104.25 million baht in comparison to negative (295.34) million baht in the year 2021; the gross profit is increase 399.59 million baht or 135.30%. In 2021 the company and its subsidiaries sold project and project is slow construction therefor cost over than sale price.
7. Total selling and administrative expenses amounted to 349.77 million baht in the year 2022. In the prior period 2021, selling and administrative expenses were 418.10 million baht, a decrease of 68.33 million baht or 16.34%.
8. Income tax of the Company and its subsidiaries amounted to 1.77 million baht and 6.66 million baht the year 2022 and 2021 respectively, an decrease of 4.89 million baht or 73.42%.

For the aforementioned reasons, the Company and its subsidiaries had a net profit of 128.46 million baht in the year 2022.

Please be informed accordingly and disseminate such information further.

Yours Sincerely,

(Mr. Chanon Wangtal)

Director

(Mr. Voravut Laithuamthaweekul)

Director