



(Translation)

No. 007/2023

May 12, 2023

Subject: Management Discussion and Analysis Quarter 1 Ending March 31, 2023

To: President

The Stock Exchange of Thailand

Asset Five Group Public Company Limited (“the Company”) would like to clarify operating result for the three-month period ended 31 March 2023 reviewed by the certified auditor regarding change from the last same period of last year. The details are as follows:

Unit: Baht

Items	Three-month period ended 31 March 2023	Three-month period ended 31 March 2022	Increase (Decrease)	
			Baht	(%)
Revenue from real estate sales	337,014,475	319,709,489	17,304,986	5.41
Other income				
Revenues from cancellation of contracts	-	1,420,475	(1,420,475)	(100.00)
Management income	870,000	255,000	615,000	241.18
Other	633,949	652,257	(18,308)	(2.81)
<b>Total revenues</b>	<b>338,518,424</b>	<b>322,037,221</b>	<b>16,481,203</b>	<b>5.12</b>
Cost of real estate sales	178,823,741	210,986,535	(32,162,794)	(15.24)
Distribution costs	20,291,432	25,986,768	(5,695,336)	(21.92)
Administrative expenses	22,794,254	15,071,284	7,722,970	51.24
<b>Total expenses</b>	<b>221,909,427</b>	<b>252,044,587</b>	<b>(30,135,160)</b>	<b>(11.96)</b>
<b>Profit from operating activities</b>	<b>116,608,997</b>	<b>69,992,634</b>	<b>46,616,363</b>	<b>66.60</b>
Finance income	104,483	-	104,483	100.00
Finance costs	(6,187,978)	(1,787,593)	(4,400,385)	246.16
Share of profit (loss) from				
investments in joint ventures	(1,358,351)	(1,343,084)	(15,267)	1.14
<b>Profit before income tax expenses</b>	<b>109,167,151</b>	<b>66,861,957</b>	<b>42,305,194</b>	<b>63.27</b>
Income tax revenue (expenses)	(22,370,076)	(14,811,092)	(7,558,984)	51.04

Items	Three-month period ended 31 March 2023	Three-month period ended 31 March 2022	Increase (Decrease)	
			Baht	(%)
Profit for the period	86,797,075	52,050,865	34,746,210	66.75
Profit attributable to Owners of the parent	86,797,075	50,075,501	36,721,574	73.33

For the three-month period ended March 31, 2023, the Company's net profit increase by Baht 34.76 million or 66.75%. Details of significant changes in operating results are as follows:

1. Revenue from sale of real estate in the first quarter of 2023 is amounted to Baht 337.01 million, consisting of revenue from selling of Cinq Royal Krungthep Kreetha project, Vio Khaerai project, Ake Mantra project and Prachasanti project amounting to Baht 305.54 million, Baht 9.59 million, Baht 18.90 million and Baht 2.89 million, respectively, which increased by Baht 17.30 million or by 5.41% comparing to the first quarter of 2022 which consisting of revenue from selling of Vana Residence Rama 9- Srinakarin project amounting to Baht 310.62 million, Vio Khaerai 1 and 2 project amounting to Baht 3.02 million, and Rachaya-Nadee project amounting to 6.07 million.
2. Cost of sale of real estate decreased by Baht 32.16 million or by 15.24% compared to the same period of the previous year because major revenue in the first quarter of 2023 derived from sales of Cinq Royal Krungthep Kreetha project which this project is getting great feedback from customers and also lower cost of sales per unit than other projects. This made the cost of sale of real estate decreased compared to the same period last year.
3. Distribution cost has decreased by Baht 5.70 million or by 21.92% compared to the same period of the previous year in contrast with the increase in revenue. The major driver was a decrease in commission expense of Baht 10.54 million because the Company engaged internal sales personnels to in-charge of Cinq Royal Krungthep Kreetha project which incurred lower commission rate than external agents. However, selling and marketing expenses increased by Baht 3.88 million from organizing an opening event of Cinq Royal Krungthep Kreetha project.
4. Administrative expenses increased by Baht 7.72 million or by 51.24% compared to the same period of the previous year. The main reason is an increase in repairing expenses from the provision of Cinq Royal Krungthep Kreetha project amounting to Baht 3.72 million during the first quarter of 2023. In addition, bank charges increased by Baht 2.03 million from fees of short-term borrowings, and

employee welfare increased amounting to Baht 1.83 million from increase the number of staff and the Company's activity.

5. Finance costs increased by Baht 4.40 million or by 246.16% compared to the same period of the previous year. The main factors were the bond interests paid during the first quarter of 2023 amounting to Baht 3.42 million and increase in interest expense amounting to 0.60 million due to additional loans from financial institutions during the first quarter of 2023.
6. Income tax expenses increased by Baht 7.55 million or by 51.04% compared to the same period of the previous year. This reason is that the Company recognized an increase in net taxable profit compared to the same quarter of the previous year.

Please be informed accordingly

Sincerely Yours

**Asset Five Group Public Company Limited**

Signed

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(Mr. Supachoke Panchasarp)

Managing Directors