

No. B52-2020-05/002

7 May 2020

Subject: Management Discussion and Analysis - for the three-month period ended 31 March 2020

To: The President of Stock Exchange of Thailand

B-52 Capital Public Company Limited (“the Company”) would like to notify the operating results that the Company reported net loss for the three-month period ended 31 March 2020 of Baht 15.0 million, net loss decreased by Baht 0.5 million or 3.2% compared to the same period of last year which were net loss of Baht 15.5 million, due reason to the following reasons:

1. Revenue from sales and services decrease from prior year by Baht 801.9 million or 96.3% due following to:

Description	1Q/20 Million Baht	1Q/19 Million Baht	Change Million Baht	Change (%)
Revenue from E-Commerce segment	0.2	1.2	(1.0)	(83.3%)
Revenue from real estate rental and service related segment	-	2.7	(2.7)	(100.0%)
Revenue from trading of consumer products segment	17.0	-	17.0	100.0%
Total	17.2	3.9	13.3	341%

#### E-Commerce segment

Revenue from e-commerce segment in relation to e-Payment services decreased due mainly to high business competition, especially when commercial banks began big player in offering services to the merchants. In addition, other operators started offered lower rates on settlement services causing some customers decided transfer their settlement services providing by other operators.

#### Real estate rental and services related segment

The Company’s revenue from this business segment decreased due mainly to the cancellation of ABC World’s lease agreement, which the lease termination effective by ended January 2019. The Company cease recognized revenue from this business segment since then.

#### Trading of consumer products segment

This business segment commenced operate by the Company in June 2019. Total sales for the current period increase due to the expansion of the customer base and therefore increase in sales order from the customers.



2. Cost of sales and service increase by Baht 12.5 million or 290% compared to the same period of last year.

Description	1Q/20 Million Baht	1Q/19 Million Baht	Change Million Baht	Change (%)
Total revenue (Million Baht)	17.2	3.9	13.3	341%
Total cost of sales and cost of services (Million Baht)	16.8	4.3	12.5	290%
Gross profit (loss) (Million Baht)	0.4	(0.4)	0.8	

For the period 1Q/2019, the Company had loss from real estate rental and services related of ABC World Project, which were resulted gross operating loss of Baht 0.4 million.

For the period 1Q/2020, the Company reported gross profit from operating due to the cessation of the real estate rental and services related of ABC World Project, which the lease agreement had terminated by end of January 2019. The Company recognised gross profit in current period from trading of consumer products and e-business segments in totaling amount Baht 0.4 million.

3. Selling and Administrative expenses for the three-month period ended 31 March 2020 were Baht 16.4 million, an increase of Baht 0.6 million or 3.8% is not significant change or increase not over than 20% from the same period of last year.

Please be informed in accordingly.

Your sincerely,

*-Naravadee Waravanitcha-*

(Ms. Naravadee Waravanitcha)

Chief Executive Officer