



13 May 2021

- SUBJECT** : Submit the reviewed financial statements and clarify the result of first quarter ended 31 March 2021
- ATTN** : The President
Stock Exchange of Thailand
- Attachment** : The reviewed financial statements for the first quarter ended 31 March 2021 of Asia Hotel Public Company Limited and its subsidiaries

Attached please find the reviewed financial statements for the first quarter period ended 31 March 2021 of Asia Hotel Public Company Limited (“ASIA”) and its subsidiaries which have been approved by the Board of Directors. ASIA would like to clarify the result of the first quarter period of the year 2021 as follows:

Analysis and explanations by the management

Overall picture of the business operations

The coronavirus outbreak (Covid-19) has occurred since the end of March 2020, which has severely slowed down the economy. Tourism has been affected by international travel restrictions, in order to control the spread of the Coronavirus (Covid-19). The number of tourists, both Thai people and foreigners has decreased and there are the measures in country not to eat in the restaurant.

In the second half of the year 2020, the Thai government has taken measures to ease the lockdown, causing the economy to recover, including the government releasing economic stimulus measures such as stimulating domestic travel, government seminars, and allowed to sit and dine in the restaurant.

In early 2021, the economy slowed again due to a new outbreak. The number of infected cases has risen, and the government requests cooperation to refrain from traveling. As for the seminar, it was postponed or canceled, the Company has taken action to help and remedy the affected shop operators in the shopping center. Causing the economy to slow down again.

In the first quarter 2021, the company and subsidiaries had total revenue of 161.42 million baht, decrease of 124.61 million baht, or 43.57%, the company and its subsidiaries had generated 50.91 million baht revenue from the hotel business (the room revenue of Q1/2020 = 151.59 million baht), consist of domestic hotel business had revenue of 36.75 million baht and oversea hotel business had revenue of 14.16 million, decreased from the previous year by 100.68 million baht or 66.4%.

In the part of Rental Area Business operated by Zeer Property PCL which is its subsidiary, had rental and service revenue of 110.51 million baht, consist of domestic rental revenue of 104.31 million baht and oversea rental revenue of 6.2 million baht. The revenue from the Rental Area business in this quarter decreased from the previous year by 23.93 million baht or 17.8%.

In Q1/2021 the company and subsidiaries had a gross profit of 5.97 million baht (For Q1/2020 had a gross profit of 53.89 million baht) and net loss (Equity holders of the parent) amounted of 48.53 million baht, loss increased of 20.37 million baht from the previous year.

Statements of Profit or Loss and other comprehensive income for the three -month periods ended March 31,2021			
Unit : Million Baht	Q 1/2021	Q 1/2020	Change
	Amount	Amount	Amount
Revenues			
Income from hotel business	50.91	151.59	(100.68)
Rental and service income	110.51	134.44	(23.93)
Total Revenue	161.42	286.03	(124.61)
Cost of Sales and Service			
Cost of hotel business	64.62	118.67	(54.05)
Cost of rental and service	90.83	113.47	(22.64)
Total cost of sales and service	155.45	232.14	(76.69)
Gross Profit (Loss)	5.97	53.89	(47.92)
Other Income	12.57	25.33	(12.76)
Profit before expenses	18.54	79.22	(60.68)
Distribution costs	6.04	19.37	(13.33)
Administrative expenses	30.73	47.67	(16.94)
Management benefit expenses	1.04	3.56	(2.52)
Directors' remuneration	-	0.69	(0.69)
Profit (loss) from operating activities	(19.27)	7.93	(27.20)
Financial cost	29.45	32.83	(3.38)
Impairment loss determined in accordance with TFRS 9	0.17	0.26	(0.09)
Loss before income tax	(48.89)	(25.16)	(23.73)
Income tax (expense) revenue	0.39	(3.54)	3.93
Net profit (loss) for the period	(48.50)	(28.70)	(27.66)

In an analysis of the operation results for the first quarter of year 2021 and profitability of the company and its subsidiaries classified according to the revenue structure, cost of sale and service, expense on the operations and financial cost as follows:

Details on Revenue from Hotel Business						
Unit : Million Baht	Room		Food & Beverage		Total Hotel Business	
	Q1 / 2021	Q1 / 2020	Q1 / 2021	Q1 / 2020	Q1 / 2021	Q1 / 2020
Revenue						
Revenue from hotel business	34.04	104.92	16.87	46.67	50.91	151.59
Proportion of Room : F&B	66.9%	69.2%	33.1%	30.8%	100.0%	100.0%
Cost of Sale	43.47	72.68	21.15	45.99	64.62	118.67
Cost Ratio (Cost of Sale / Revenue)	127.7%	69.3%	125.4%	98.5%	126.9%	78.3%
Gross Profit	(9.43)	32.24	(4.28)	0.68	(13.71)	32.92
GP Margin (Gross Profit / Revenue)	-27.7%	30.7%	-25.4%	1.5%	-26.9%	21.7%

1) Income from the rooms

The company and its subsidiaries operated 7 hotels consisted of 1) Asia Hotel, which situated in Ratcha Thewi district, Bangkok, 2) Asia Pattaya Hotel at Pattaya city, 3) Asia Airport Hotel in Rangsit, Pathum Thani province, 4) Asia Hotel Cha-um, at Cha-um Beach, Phetchaburi province, 5) Ratchapruek Lanna Boutique Hotel at Nongkwai Sub-district, Hang Dong District, Chiang Mai, 6) Darley Hotel Chiang Mai at Chang Moi, Amphoe Mueang, Chiang Mai and 7) Quality Inn Long Beach Airport, located 3201 E. Pacific High Way, Signal Hill, California, U.S.A.. The company and its subsidiaries had revenue from rooms in the first quarter of year 2021 totaled 50.91 million baht, decreased from the same quarter of previous year by 100.68 million baht or 66.4% lower.

Revenue from rooms in Q1/2021 totaled 34.04 million baht (Domestic room revenue was 19.88 million baht and oversea room revenue was 14.16 million baht), decreased from Q1/2020 that revenue amount 104.92 million baht, by 70.88 million baht or 67.6% lower.

Income from food and beverages

The company and its subsidiaries had the income of food and beverages from restaurants and banquets in Q1/2021 amounted to 16.87 million baht, decreased from the previous year by 29.8 million baht.

2) Income from rent and services

Zeer Property and its subsidiaries have rental and services income from leasing space income such as 1) Zeer Rangsit Shopping Center, 2) The Hub Shopping Mall, 3) AA-Town Apartment, 4) Asia Airport Hotel, Rangsit 5) Asia Cha-um Hotel and the 3 subsidiaries that shareholding by Zeer Property consist of 1) Zeer Asset Co., Ltd. which invested and leasing in "Rachapruek Lanna Boutique Hotel" Chiang Mai, 2) Spa Hotel Co., Ltd. which operated "Laan Sook Plaza Project" and leasing in "Darley Hotel Chiang Mai" and 3) Zeer Overseas LLC, which is a subsidiary of Zeer Property, incorporated in the USA., which operated "Glendale Plaza" in California, USA., and "Quality Inn Long Beach Signal Hill" in U.S.A.

Details on Revenue from Rental and service Business						
Unit : Million Baht	Domestic		Overseas		Total	
	Q1 / 2021	Q1 / 2020	Q1 / 2021	Q1 / 2020	Q1 / 2021	Q1 / 2020
Revenue						
Revenue from rental and service business	104.31	127.74	6.20	6.70	110.51	134.44
Cost of Sale	89.10	112.27	1.73	1.20	90.83	113.47
Cost Ratio (Cost of Sale / Revenue)	85.4%	87.9%	27.9%	17.9%	82.2%	84.4%
Gross Profit	15.21	15.47	4.47	5.50	19.68	20.97
GP Margin (Gross Profit / Revenue)	14.6%	12.1%	72.1%	82.1%	17.8%	15.6%

Rental and service income in the first quarter of 2021 was 110.51 million baht (Domestic Rental Revenue 104.31 million baht and Overseas Rental Revenue 6.20 million baht), a decrease of Baht 23.93 million baht from the same quarter of last year.

3) Other Revenue

Other revenue consisted of rental, service and electricity, laundry, telephone, gain on exchange rate and other revenue collected from customers and miscellaneous things.

Cost of sale and service

Cost of sale and service consists of two main items according to the type of revenue from the operations are the cost of sale from hotel operations and cost from rentals and services

In Q1 of 2021 the company and its subsidiaries has the cost of sale and service for 155.45 million baht, decreased from the previous year by 76.69 million baht, or 33.04% lower. The company has gross profit margin in 2021 for 3.7% of revenue from the operations, while the previous year had the gross profit of 18.84%. The cost of sale and service can be classified as following:

a) Cost of room sale

In 1st quarter of 2021 the company and its subsidiaries had the cost of room sale of 43.47 million baht, decreased from the previous year by 29.21 million baht, or 40.2% lower, with the cost ratio for room sale in Q1 of 2021 and 2020 for 127.7% and 69.4%. The gross profit margin for Q1 of 2021 and 2020 equaled to -27.7% and 30.7% respectively.

Cost of food sale and beverages

In 1st quarter of 2021 the company and its subsidiaries had the cost of food and beverage sale of 21.15 million baht, or decreased by 24.84 million baht, or 54% from the previous year. They had the ratio of the cost of food and beverage sale for 2021 and 2020 equaled to 125.4% and 98.5% and the gross profit margin for 2021 and 2020 equaled to -25.4% and 1.5% respectively.

b) Cost of rental and service

In 1st quarter of 2021, the company and its subsidiaries had the cost of rent and service of 90.83 million baht (Cost of Rental and service from Domestic business equaled 89.10 million baht and Oversea business equaled 1.73 million baht), decreased by 22.64 million baht from the previous year. The gross profit margin for 2021 and 2020 equaled to 17.8% and 15.6% respectively.

Expenses on the sale, administration and others

In 1st quarter 2021, the company and its subsidiaries had the expense on sale and service and other expenses totaled 37.81 million baht, decreased from the previous year by 33.48 million baht. It has details on the increase or decrease from the previous year on the expense of each type as follows:

- Expense on sale in 2021 amounted to 6.04 million baht, decreased from the previous year by 13.33 million baht, or 68.82% lower.
- Expense on administration cost in 2021 amounted to 30.73 million baht, decreased by 16.94 million baht, or 35.54% lower.
- Compensation for the management in 2021 amounted to 1.04 million baht, decreased from the previous year by 2.52 million baht, or 70.79% lower.
- Directors' remuneration in 2021, the total amount decreased from the previous year at 0.69 million baht equal to 100%

Profit (loss) from Operating Activities

In Q1/2021 the company and its subsidiaries had the profit (loss) from operating activities (EBIT) equaled to -19.27 million baht, Q1/2020 equaled to 7.93 million baht, decreased from the same quarter of previous year by 27.2 million baht.

Financial cost

In Q1/2021 the company and its subsidiaries had the financial cost amounted to 29.45 million baht, while in Q1/2020 amounted to 32.83 million baht, which was decreased by 3.38 million baht.

Net Profit

In Q1/2021 the company and its subsidiaries had a net loss (net worth of the parent company) totaled 48.53 million baht, loss increased from the previous year by 20.37 million baht and the basic loss per share in 2021 equaled to 0.15 baht while in Q1/2020 had the loss per share equaled to 0.09 baht.

This information is provided for notification to the SET and for disclosure to investors.

Best regards,

(Mrs. Pornpun Tanariyakul)
Deputy Managing Director