



17 May 2022

- SUBJECT** : Submit the reviewed financial statements and clarify the result of first quarter ended 31 March 2022
- ATTN** : The President
Stock Exchange of Thailand
- Attachment** : The reviewed financial statements for the first quarter ended 31 March 2022 of Asia Hotel Public Company Limited and its subsidiaries

Attached please find the reviewed financial statements for the first quarter period ended 31 March 2022 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 2022 as follows:

Analysis and explanations by the management

Overall picture of the business operations

Overview of business operations in the year 2021, the Thai economy, including the global economy, were affected by the Coronavirus 2019 (COVID 19) epidemic that occurred since the first quarter of 2020, resulting in a severe economic slowdown and many countries continue to have a growing number of infected and the restrict international travel, resulting in a slowdown in tourism impact. In the country, the impact of the epidemic control measures prevents some periods of training and seminars as ordered by the government. Consumption and consumption are also contracted. Both household purchasing power weakened in both income Employment and confidence.

The Thai government has measures to stimulate the economy such as project to travel together, to help the expenses and stimulate domestic tourism.

In mid-year 2021, The economy slowed down again due to a new outbreak (Delta covid-19) and the government has some lockdown measures, causing an impact on domestic tourism and tourists are concerned about this situation.

The tourism situation in the country in the fourth quarter of 2021 has clearly recovered from the relaxation of measures to control the epidemic of the 2019 coronavirus (Omicron) by the government to stimulate tourism, The We Travel Together project and the number of Thai people who have been vaccinated against COVID-19, the rate continues to increase, ensuring travel confidence.

The first quarter of 2022 has clearly recovered and during February 2022, Thailand has opened up foreign tourists under the “Test & Go” program, which is a good sign.

The company continues to implement preventive measures covering all areas. To respond to the new lifestyle (New Normal), which such measures increase the confidence of the service users as well, and take measures to control costs and expenses to reduce the impact of unrecoverable income.

In the first quarter 2022, the company and subsidiaries had total revenue of 173.16 million baht, increase of 11.74 million baht, or 7.3% from the previous year, the company and its subsidiaries had generated 65.58 million baht revenue from the hotel business (the room revenue of Q1/2021 = 50.91 million baht), consist of domestic hotel business had revenue of 46.74 million baht and oversea hotel business had revenue of 18.84 million, increased from the previous year by 14.67 million baht or 28.8%.

In the part of Rental Area Business operated by Zeer Property PCL which is its subsidiary, had rental and service revenue of 107.58 million baht, consist of domestic rental revenue of 99.45 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 2.93 million baht or 2.7%.

In Q1/2022 the company and subsidiaries had a gross profit of 11.39 million baht (For Q1/2021 had a gross profit of 5.97 million baht) and net loss (Equity holders of the parent) amounted of 49.92 million baht, loss increased of 1.39 million baht from the previous year.

Statements of Profit or Loss and other comprehensive income for the three -month periods ended March 31,2022			
Unit : Millon Baht	Q1/2022	Q1/2021	Change
	Amount	Amount	Amount
Revenues			
Income from hotel business	65.58	50.91	14.67
Rental and service income	107.58	110.51	(2.93)
Total Revenue	173.16	161.42	11.74
Cost of hotel business	70.77	64.62	6.15
Cost of rental and service	91.00	90.83	0.17
Total cost of sales and service	161.77	155.45	6.32
Gross Profit (Loss)	11.39	5.97	5.42
Other Income	10.12	12.57	(2.45)
Profit before expenses	21.51	18.54	2.97
Distribution costs	7.48	6.04	1.44
Administrative expenses	28.81	30.73	(1.92)
Management benefit expenses	1.04	1.04	-
Profit (loss) from operation activities	(15.82)	(19.27)	3.45
Financial cost	32.55	29.45	3.10
Impairment loss determined in accordance with TFRS9	(0.60)	0.17	(0.77)
Loss before income tax	(47.77)	(48.89)	1.12
Income tax (expense) revenue	(2.21)	0.39	(2.60)
Net profit (loss) for the period	(49.98)	(48.50)	3.72

In an analysis of the operation results for the first quarter of year 2022 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	
Revenue	Q1 / 2022	Q1 / 2021	Q1 / 2022	Q1 / 2021	Q1 / 2022	Q1 / 2021
Revenue from hotel business	46.12	34.04	19.46	16.87	65.58	50.91
Proportion of Room : F&B	70.3%	66.9%	29.7%	33.1%	100.0%	100.0%
Cost of Sale	49.56	43.47	21.21	21.15	70.77	64.62
Cost Ratio(Cost of Sale / Revenue)	107.5%	127.7%	109.0%	125.4%	107.9%	126.9%
Gross Profit	(3.44)	(9.43)	(1.75)	(4.28)	(5.19)	(13.71)
GP Margin(Gross profit / Revenue)	-7.5%	-27.7%	-9.0%	-25.4%	-7.9%	-26.9%

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 2022 totaled 65.58 million baht, increased from the same quarter of previous year by 14.67 million baht or 28.8% higher.

Revenue from rooms in Q1/2022 totaled 46.12 million baht (Domestic room revenue was 27.28 million baht and oversea room revenue was 18.84 million baht), increased from Q1/2021 that revenue amount 34.04 million baht, by 12.08 million baht or 35.5% higher.

Income from food and beverages

The company and its subsidiaries had the income of food and beverages from restaurants and banquets in Q1/2022 amounted to 19.46 million baht, increased from the previous year by 2.59 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, Rungsit 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 / 2022	Q1 / 2021	Q1 / 2022	Q1 / 2021	Q1 / 2022	Q1 / 2021
Revenue						
Revenue from rental and service business	99.45	104.31	8.13	6.20	107.58	110.51
Cost of Sale	88.73	89.10	2.27	1.73	91.00	90.83
Cost Ratio(Cost of Sale / Revenue)	89.2%	85.4%	27.9%	27.9%	84.6%	82.2%
Gross Profit	10.72	15.21	5.86	4.47	16.58	19.68
GP Margin(Gross profit / Revenue)	10.8%	14.6%	72.1%	72.1%	15.4%	17.8%

Rental and service income in the first quarter of 2022 was 107.58 million baht (Domestic Rental Revenue 99.45 million baht and Overseas Rental Revenue 8.13 million baht), a decrease of Baht 2.93 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 2022 the company and its subsidiaries has the cost of sale and service for 161.77 million baht, increased from the previous year by 6.32 million baht, or 4.1% higher. The company has gross profit margin in 2022 for 6.6% of revenue from the operations, while the previous year had the gross profit of 3.7%. The cost of sale and service can be classified as following:

1) Cost of room sale

In 1st quarter of 2022 the company and its subsidiaries had the cost of room sale of 49.56 million baht, increased from the previous year by 6.09 million baht, 14% higher, with the cost ratio for room sale in Q1 of 2022 and 2021 for 107.5% and 127.7% respectively. The gross profit margin for Q1 of 2022 and 2021 equaled to -7.5% and 27.7% respectively.

Cost of food sale and beverages

In 1st quarter of 2022 the company and its subsidiaries had the cost of food and beverage sale of 21.21 million baht, or increased by 0.06 million baht, or 0.3% from the previous year. They had the ratio of the cost of food and beverage sale for 2022 and 2021 equaled to 109% and 125.4% and the gross profit margin for 2022 and 2021 equaled to -9% and -25.4% respectively.

2) Cost of rental and service

In 1st quarter of 2022, the company and its subsidiaries had the cost of rent and service of 91 million baht (Cost of Rental and service from Domestic business equaled 88.73 million baht and Overseas business equaled 2.27 million baht), increased by 0.17 million baht from the previous year. The gross profit margin for 2022 and 2021 equaled to 15.4% and 17.8% respectively.

Expenses on the sale, administration and others

In 1st quarter 2022, the company and its subsidiaries had the expense on sale and service and other expenses totaled 37.33 million baht, close to 37.81 million baht from the previous year. It has details on the increase or decrease from the previous year on the expense of each type as follows:

- Distribution Cost in 2022 amounted to 7.48 million baht, increased from the previous year by 1.44 million baht, or 23.8% higher.
- Administrative Expense in 2022 amounted to 28.81 million baht, decreased by 1.92 million baht, or 6.2% lower.
- Management benefit Expense in 2022 amounted to 1.04 million baht, the same as the previous year.

Profit (loss) from Operating Activities

In Q1/2022 the company and its subsidiaries had the profit (loss) from operating activities (EBIT) equaled to -15.82 million baht, Q1/2021 equaled to -19.27 million baht, decreased from the same quarter of previous year by 3.45 million baht.

Financial cost

In Q1/2022 the company and its subsidiaries had the financial cost amounted to 32.55 million baht, while in Q1/2021 amounted to 29.45 million baht, which was increased by 3.10 million baht.

Net Profit

In Q1/2022 the company and its subsidiaries had a net loss (net worth of the parent company) totaled 49.92 million baht, loss increased from the previous year by 1.39 million baht and the basic loss per share in 2022 equaled to 0.16 baht while in Q1/2021 had the loss per share equaled to 0.15 baht.

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

Best regards,

(Mr. Surapong Techaruvichit)
Managing Director