



15 August 2022

SUBJECT : Submit the reviewed financial statements and clarify the result of second quarter ended 30 June 2022

ATTN : The President
Stock Exchange of Thailand

Attachment : The reviewed financial statements for the second quarter ended 30 June 2022 of Asia Hotel Public Company Limited and its subsidiaries

Attached please find the reviewed financial statements for the second quarter period ended 30 June 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 second quarter period of the year 2022 as follows:

Analysis and explanations by the management

Overall picture of the business operations

In Quarter 2/2022, government had cancelled their measures of tourists, who travelling to Thailand. Those tourists have no required to do RT-PCR test. This resulted to travel industry continuing recovery, which can be indicated by increasing number of foreign tourists in our country comparing with Quarter 1/2022. Together with, domestic tourists have also growth comparing with previous quarter. This has been caused from COVID vaccinated to its residents and relief government measures. Then people return to normal life.

The company continue use the policy, which comply with New Normal measure, and encourage customers to serve the company services. Moreover, the company has also announced cost and expenses controlling policy to reduce effect from uncovering revenue.

In the second 2022, the company and subsidiaries had total revenue of 210.58 million baht, increase of 66.92 million baht, or 46.58%, the company and its subsidiaries had generated 102.75 million baht revenue from the hotel business (the room revenue of Q2/2021 = 34.68 million baht), increased from the previous year by 68.07 million baht., consist of domestic hotel business had revenue of 76.87 million baht and oversea hotel business had revenue of 25.88 million baht.

In the part of Rental Area Business operated by Zeer Property PCL which is its subsidiary, had rental and service revenue of 107.83 million baht, decreased from the previous year 1.15 million baht or 1.1%, consist of domestic rental revenue of 99.66 million baht and oversea rental revenue of 8.17 million baht.

In Q2/2022 the company and subsidiaries had a gross loss of 31.30 million baht (For Q2/2021 had a gross loss of 6.89 million baht) and net loss (Equity holders of the parent) amounted of 35.07 million baht, loss decreased of 23.82 million baht from the previous year.

Statements of Profit or Loss and other comprehensive income for the three -month periods ended June 30, 2022			
Unit : Millon Baht	Q 2/2022	Q 2/2021	Change
	Amount	Amount	Amount
Revenues			
Income from hotel business	102.75	34.68	68.07
Rental and service income	107.83	108.98	(1.15)
Total Revenue	210.58	143.66	66.92
Cost of hotel business	84.39	56.69	27.70
Cost of rental and service	94.89	93.86	1.03
Total cost of sales and service	179.28	150.55	28.73
Gross Profit (Loss)	31.30	(6.89)	38.19
Other Income	11.37	13.54	(2.17)
Profit before expenses	42.67	6.65	36.02
Distribution costs	9.37	5.78	3.59
Administrative expenses	30.78	23.63	7.15
Management benefit expenses	1.18	0.97	0.21
Profit (loss) from operation activities	1.34	(23.73)	25.07
Financial cost	32.74	31.09	1.65
Loss before income tax	(31.40)	(54.82)	23.42
Income tax (expense) revenue	(3.74)	(4.07)	0.33
Net profit (loss) for the period	(35.14)	(58.89)	23.75

In an analysis of the operation results for the second 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	
	Q 2 / 2022	Q 2 / 2021	Q 2 / 2022	Q 2 / 2021	Q 2 / 2022	Q 2 / 2021
Revenue						
Revenue from hotel business	70.77	27.74	31.98	6.94	102.75	34.68
Proportion of Room : F&B	68.9%	80.0%	31.1%	20.0%	100.0%	100.0%
Cost of Sale	56.84	40.79	27.55	15.90	84.39	56.69
Cost Ratio (Cost of Sale / Revenue)	80.3%	147.0%	86.1%	229.1%	82.1%	163.5%
Gross Profit	13.93	-13.05	4.43	-8.96	18.36	-22.01
GP Margin (Gross profit / Revenue)	19.7%	-47.0%	13.9%	-129.1%	17.9%	-63.5%

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 second quarter of year 2022 totaled 102.75 million baht, increased from the same quarter of previous year by 68.07 million baht or 196.3% higher.

Revenue from rooms in Q2/2022 totaled 70.77 million baht (Domestic room revenue was 44.89 million baht and oversea room revenue was 25.88 million baht), increased from Q2/2021 that revenue amount 27.74 million baht, by 43.03 million baht or 155.1% higher.

Income from food and beverages

The company and its subsidiaries had the income of food and beverages from restaurants and banquets in Q2/2022 amounted to 31.98 million baht, for Q2/2021 was amounted to 6.94 million baht, increased from the previous year by 25.04 million baht or 360.8%.

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 : Millon Baht	Domestic		Overseas		Total	
	Q 2 / 2022	Q 2 / 2021	Q 2 / 2022	Q 2 / 2021	Q 2 / 2022	Q 2 / 2021
Revenue						
Revenue from rental and service business	99.66	97.65	8.17	11.33	107.83	108.98
Cost of Sale	92.60	91.50	2.29	2.36	94.89	93.86
Cost Ratio (Cost of Sale / Revenue)	92.9%	93.7%	28.0%	20.8%	88.0%	86.1%
Gross Profit	7.06	6.15	5.88	8.97	12.94	15.12
GP Margin (Gross profit / Revenue)	7.1%	6.3%	72.0%	79.2%	12.0%	13.9%

Rental and service income in the second quarter of 2022 was 107.83 million baht (Domestic Rental Revenue 99.66 million baht and Overseas Rental Revenue 8.17 million baht), a decrease of Baht 1.15 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. The other revenue was decreased 2.17 million baht.

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 Q2 of 2022 the company and its subsidiaries has the cost of sale and service for 179.28 million baht, increased from the previous year by 28.73 million baht, or 19.1% higher. The company has gross loss margin in 2022 for 14.8% of revenue from the operations, while the previous year had the gross loss margin of 4.8%. The cost of sale and service can be classified as following:

a) Cost of room sale

In 2nd quarter of 2022 the company and its subsidiaries had the cost of room sale of 56.84 million baht, with the cost ratio for room sale in Q2 of 2022 and 2021 for 80.3% and 147.0%. The gross profit (loss) margin for Q2 of 2022 and 2021 equaled to 19.7% and -47.0% respectively.

Cost of food sale and beverages

In 2nd quarter of 2022 the company and its subsidiaries had the cost of food and beverage sale of 27.55 million baht. They had the ratio of the cost of food and beverage sale for 2022 and 2021 equaled to 86.1% and 229.1% and the gross profit (loss) margin for 2022 and 2021 equaled to 13.9% and -129.1% respectively.

b) Cost of rental and service

In 2nd quarter of 2022, the company and its subsidiaries had the cost of rent and service of 94.89 million baht (Cost of Rental and service from Domestic business equaled 92.6 million baht and Overseas business equaled 2.29 million baht). The gross profit(loss) margin for 2022 and 2021 equaled to 12.0% and 13.9% respectively.

Expenses on the sale, administration and others

In 2nd quarter 2022, the company and its subsidiaries had the expense on sale and service and other expenses totaled 41.33 million baht, details as follows:

- Distribution costs in 2022 amounted to 9.37 million baht.
- Administrative expenses in 2022 amounted to 30.78 million baht.
- Management benefit expenses in 2022 amounted to 1.18 million baht.

Profit (loss) from Operating Activities

In Q2/2022 the company and its subsidiaries had the profit from operating activities equaled to 1.34 million baht, Q2/2021 had loss equaled to 23.73 million baht.

Financial cost

In Q2/2022 the company and its subsidiaries had the financial cost amounted to 32.74 million baht, while in Q2/2021 amounted to 31.09 million baht, which was increased by 1.65 million baht.

Net Profit

In Q2/2022 the company and its subsidiaries had a net loss (net worth of the parent company) totaled 35.07 million baht, loss decreased from the previous year by 23.82 million baht and the basic loss per share in 2022 equaled to -0.11 baht while in 2021 had the loss per share equaled to -0.18 baht.

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

Best regards,

(Mrs. Pornpun Tanariyakul)
Deputy Managing Director