

Ref: ACC6401 / 001

March 01, 2021

Subject Clarification of Operating results for the year 2020, Ending December 31, 2020

Attention: Director and Manager

The Stock Exchange of Thailand

As Advanced Connection Corporation Public Company Limited, the “Company” has submitted the financial statements of the Company and its subsidiaries for the year 2020 ended 31 December 2020, it appears that the operating results of the said period had a net loss of 68.06 million baht, but in the same period of the previous year there was a net loss of 131.85 million baht and a decrease in net loss from the same period of the previous year equal to 63.78 million baht,

The company would like to clarify the important changes as follows:

1. Total revenue of the group of companies for the year 2020 has total income of 122.79 million baht, a decrease of 103.79 million baht or 45.81% compared to the same period of the previous year due to,

1.1 The sales revenue of 11.68 million baht, a decrease of 2.12 million baht or 15.36 percent due to ceiling fans and lamps that the company has, the products are obsolete, not marketable. Therefore, the Board of Directors No. 10/2020 on November 11, 2020 has resolved to bid to sell all ceiling fans and LED lamps at not less than price of 4 million baht in December 2020. The Company and the auction winner entered into an agreement to buy and sell ceiling fans and LED lamps at a price of 5.10 million baht according to Note 11 of the financial statements

1.2 Revenues from electricity sales amounted to 98.55 million baht, a decrease of 2.91 million baht or 2.87 percent.

1.3 Revenue from catering rooms and restaurants was 19.10 million baht, a decrease of 77.85 million baht or 80.30 percent due to the company announced the cessation of operations due to the impact of the coronavirus disease (COVID-19) epidemic. The tourists have decreased. The company has opened a conference center which can earn enough income for monthly expenditures.

1.4 Revenue from real estate rental was 0.14 million baht, a decrease of 0.015 million baht or 9.43 percent due to the company remaining 1 room with tenants.

1.5 Revenue from contractors of 17.39 million baht or 100 percent due to, In 2020, revenue can be recognized from the business of installing solar panels around the signal towers. Which is a new business

1.6 Other income of 3.27 million baht, a decrease of 64.21 million baht or 95.16 percent due to the same period of the previous year, the company had income from forfeiture of deposit for land at Koh Siray in the amount of 37.00 million baht and transfer transactions return allowance for doubtful accounts, prepaid investment of 14.00 million baht, profit from sales of condominiums, Country Complexes and other assets totaling 9.65 million baht. Reversal of allowance for devaluation of inventories amounting to 2.72 million baht

2 Sales and Services of the group of companies are 74.57 million baht, a decrease of 60.00 million baht or 44.59 percent, details are as follows:

2.1 Cost of sales of fans in the amount of 1.36 million baht, a decrease of 1.79 million baht or 56.64 percent due to the company has reversed the transaction on the impairment of goods into the cost of sales accounted for the decrease in cost of sales.

2.2 The cost of renewable energy amounted to 29.94 million baht, a decrease of 7.13 million baht or 19.23 percent due to the depreciation from the reduction of cost of solar panels and machinery. This was due to the impairment of assets according to the accounting standard.

2.3 Cost from banquet rooms and restaurants amounted to 22.82 million baht, a decrease of 59.46 million baht or 72.27 percent from the announcement of the cessation of business due to the effects of the coronavirus outbreak. (COVID-19), tourists decreased.

2.4 The cost of renting real estate amounted to 0.20 million baht, an increase of 0.04 million baht or 27.10 percent due to the decrease of tenants

2.5 Construction costs of 16.01 million baht, an increase of 100 percent from the company is able to recognize revenue from the contractor installing solar panels at the antenna.

3. The company has selling and administrative expenses of 119.87 million baht, decreased 139.38 million baht representing 53.76 percent mainly due to the same period last year. The Company has made an allowance for the value of land awaiting development of 91.33 million baht from the difference from the appraised value compared to the acquired value and Selling expenses decreased by 8.36 million baht due to lower sales.

4. Financial costs of 19.61 million baht, a decrease of 7.72 million baht or 28.24 percent due to the Company's Redeem 100 million baht debentures, reducing the debt and interest expenses. At present, the company has redeemed all debentures and issue limited debentures (PP10) and limited-edition bills of exchange 169.00 million baht, with majority of nine month due in June 2021, interest rate 6.40%.

Therefore, clarified to disseminate to investors and interested people in general

Best Regards,

--Angoon Phimphorn--

(Mr. Angoon Phimphorn)

Managing Director