



May 12, 2017

Subject: Management Discussion and Analysis for the operating results for Quarter 1 of Financial Year 2017 ended 31 March 2017

To : President  
The Stock Exchange of Thailand

Asiasoft Corporation Public Company Limited (“the Company”) has submitted the audited financial statements for Quarter 1 of Financial Year 2017 ended 31 March 2017 as approved by BOD on 12 May 2017. The Company would like to supplement the reviewed financial statements with further explanations and information.

Unit: Million

Baht

Consolidation	Profit and Loss for 3 Months as of 31 March 2017 compare with 31 March 2016					
	Q1 2017	%	Q1/2016	%	Variance Increase(Decrease)	%
Revenue from Sale and Services	253.9	100	213.5	100	40.4	18.9
Cost of Sale	154.3	60.8	143.5	67.2	10.8	7.5
Gross Profit	99.6	39.2	70	32.8	29.6	42.3
Selling & Admin Exp	82.1	32.3	107.6	50.4	(25.5)	(23.7)
Operation Profit*	20.2	7.9	(32.3)	(15.1)	52.5	162.5
One Time Expenses	6.6	2.6	-	-	6.6	
Net Profit **	10.1	4.0	(38.7)	(18.1)	48.8	126.1

Remark: \* Profit(Loss) from operation exclude one time expenses  
\*\* Profit (Loss) excluded Non-controlling interests of the subsidiaries

## 1. Revenues

Revenue from Sale & Service in Q1/2017 was 253.9 MTHB Increase 18.9% from Q1/2016 due to the continuous growth in oversea market especially Malaysia and Singapore but domestic market was reduce by 5.7% mainly due to a decrease of online revenue from existing games while new games are in the process of preparation for publishing in the following quarter.



Domestic market in Q1/2017 generate 119.8 MTHB or 47.2% of Revenue from Sale & Service 253.9 MTHB decrease from Q1/2106 by 3.4 7% mainly due to no new game launching in this quarter while the old game was slow down.

Oversea market generated 134.1 MTHB or 52.8% of Revenue on Sale & Service 253.9 MTHB. Which **Singapore market increase 97.8% and Malaysia increase 41.4 %** from the same period of last year.

## 2. Cost of Goods Sold

In Q1/2017 Cost of Goods Sold was 154.3 MTHB increased by 10.8 MTHB or 7.5% from the same period of last year which was 143.5 MTHB as to the increase of sale. Royalty Fee still be the major cost of goods sold.

## 3. Gross Profit

The company has gross profit in Q1/2017 at 99.6 MTHB or 39.2% of Revenue on Sale & Service. **Increased by 42.3%** from the same period of last year subsequent to the increase of revenue and a decrease on Employee Expense and Network Expenses from the restructure of company.

## 4. Selling and Admin Expenses

In Q1/2017, Selling and Admin Expenses was 82.1 MTHB **decreased by 25.5 MTHB or 23.7%** from Q1 of last year which was 107.6 MTHB due mainly to the controlling of selling and administration expense. Although Employee Expense is the major administration expense which has merit increase and other welfare, the company still control and maintain the expenses as per plan.

## 5. Profit (Loss) attributable to owner of the parent

In Q1/2017, the company can turnaround from **Loss to Profit 10.1 MTHB** or 4% of Revenue on Sale & Service, **Increased by 126.1 % from Q1/2016** which had a Loss of 38.7 MTHB due mainly to the increase of revenue and the efficiency on controlling and managing expenses. **It is a significant sign for starting 2017 business.**

Kindly be informed accordingly.

Yours faithfully,

Mrs. Ratana Manomongkolkul  
Deputy Managing Director