



RHOM BHO PROPERTY PUBLIC COMPANY LIMITED

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TITLE 003/2019

February 27 ,2019

Subject: Explanation of Company's Overall Operation for the year of 2018

To: Directors and Managers  
The Stock Exchange Market of Thailand

Rhom Bho Property Public Company Limited ("the Company") would like to explain overall operation for the year of 2018 with following details.

Unit: Million THB

Description	Year 2018		Year 2017		Differentiate	
	Amount	%	Amount	%	Amount	%
Revenues from sales	311.73	96.18	293.88	97.56	17.85	6.07
Cost of sales	183.94	56.75	163.31	54.22	20.63	12.63
Gross profit (loss)	127.79	39.43	130.57	43.35	(2.78)	(2.13)
Other income	12.39	3.82	7.34	2.44	5.05	68.80
Profit (Loss) before expenses	140.18	43.25	137.91	45.78	2.27	1.65
Selling expenses	22.86	7.05	17.40	5.78	5.46	31.38
Administration expenses	81.50	25.15	66.24	21.99	15.26	23.04
Gain (Loss) before finance costs and income tax	35.82	11.05	54.27	18.02	(18.45)	(34.00)
Finance costs	0.11	0.03	5.52	1.83	(5.41)	(98.01)
Gain (Loss) before income tax	35.71	11.02	48.75	16.18	(13.04)	(26.75)
Income tax expenses	7.50	2.31	7.86	2.61	(0.36)	(4.58)
Profit for the year	28.21	8.70	40.89	13.57	(12.68)	(31.01)

1. Revenues from sales

1.1. The company's revenues from sales for the year ended on 31<sup>st</sup> December, 2018 was 311.73 million baht or increased by 6.07% of revenue rate compare with the previous year. The increase was due to the continuous ownership transfer unit of The Title Rawai Phase 3. When the company completed the registration of the condominium of The Title Naiyang Phase 1 and Phase 2 in November 2018. We expected to transfer to the ownership in December 2018 but could not achieved due to the cost appraisal issued by government agencies completed in January 2019. However, the company has transferred to the ownership of the condominium units from January 2019 onwards.



1.2. The other income of the company for the year ended on 31<sup>st</sup> December, 2018 was 12.39 million baht or increased by 68.80 % revenue rate compare with the previous year. Most of other revenues are from room management for customers who participated in the return guarantee program of compensation and payments hold down the customers' breach of contract, revenue from management fee of the juristic person condominium of The Title Rawai Phase 3.

## 2. Cost of sales

The company's cost of sales for the year ended on 31<sup>st</sup> December, 2018 was 183.94 million baht or increased by 12.63 % from the previous year. The increase was due to the number of units of customer who participated in the return guarantee program of compensation which transfer from ownership of condominium units in the year 2018.

## 3. Expenses

3.1. The company's selling expenses for the year ended on 31<sup>st</sup> December, 2018 was 22.86 million baht increased 5.46 million baht or 31.38% from the previous year. The main change in selling expenses is variable expenses associated with condominium unit sale: specific business tax and commercial fee (sale). Most expenses are from unit sale in The Title Rawai Phase 3 Project in accordance with the requirements of the contract and the increase in employee expenses, promotion expenses due to the expansion of the work.

3.2. The company's administrative expenses for the year ended on 31 December, 2018 was 81.50 million baht increased 15.26 million baht or 23.04% from the previous year due to the increasing of staffs' salary, expenses of employees and other managing fees consisted with the company's growth.

## 4. Finance Costs

The company's financial costs for the year ended on 31<sup>st</sup> December, 2018 was 0.11 million baht decreased 5.41 million baht or 98.01% from the previous year because the interest expense of 'The Title Naiyang Project was booked as a capital expenses in balance sheet. Therefore, it has not been booked as financial costs in income statement. In the end of year 2017 the financial costs were the payment of interest on loan and adjustment the capital expenses to financial costs.

## 5. Income tax expenses

The company's income tax expenses for the year ended on 31<sup>st</sup> December, 2018 was 7.50 million baht decreased 0.36 million baht or 4.58 % from the previous year consisted with the decreased profit of company's operation.



## 6. Net profit

The company's net profit for the year ended on 31<sup>st</sup> December, 2018 was 28.21 million baht decreased 12.68 million baht or 31.01% from the previous year. The main reason was the increase in company's selling expenses and company's administrative expenses.

## 7. Financial status

Unit: Million THB

Description	As at 31 <sup>st</sup> Dec 2018	As at 31 <sup>st</sup> Dec 2017	Differentiate	
	Amount	Amount	Amount	%
Total Assets	1,754.61	969.59	785.02	80.96
Total Liabilities	1,203.59	444.56	758.03	170.74
Total Shareholder 's Equity	551.02	525.03	25.99	4.95

The company's assets as of 31<sup>st</sup> December 2018 was 1,754.61 million baht increasing from 31<sup>st</sup> December 2017 for 785.02 million baht or 80.96%. The increase in core assets was due to an increase in real estate development costs from the construction of The Title Naiyang Project Phase1 and Phase2 and additional land acquisition for future development of the property. Total liabilities of 1,203.59 million baht increased 758.03 million Baht or 170.74% mainly caused from advance receipt of reservation cost and down payment of The Naiyang Project Phase 1 and 2 and long-term loan from financial institutions / insurance company.

The company shareholder's equity as of 31<sup>st</sup> December 2018 was 551.02 million baht increased from 31<sup>st</sup> December 2017 for 25.99 million baht or 4.95% due to the increased capital in stock dividend payment and the increase in cumulative profit by overall operation of the company.

Please be informed accordingly.

Sincerely,

Mr.Dendanai Hutajuta

Chief Executive Officer