



**AP (THAILAND) PCL.**

**NEWS RELEASE**

**No.16/2018**

13<sup>th</sup> November 2018

Subject: Explanation of 39.3% year-on-year increase in revenue and 43.9% year-on-year increase in net profit results

To: Director and Manager  
The Stock Exchange of Thailand

AP (Thailand) Plc. would like to report Q3 2018 revenue of THB 6.9 billion and net profit of THB 915 million. Comparing to the same period of last year, revenue and net profit increased 39.3% (from THB 4.9 billion) and 43.9% (from THB 636 million), respectively. This was mainly due to followings:

- AP (excluding JV) revenue reported at THB 6.9 billion (+39.3% YoY). Low rise still played an important role driving total property revenue to THB 6.6 billion (+42.7% YoY).
  - Low Rise: Great quarter for low rise with reported revenue of THB 4.5 billion (+34.5% YoY). Existing projects were doing well with steady transfer rate. In addition, 6 new projects launched earlier this year started to transfer ownership in this quarter, namely 1) "Baan Klang Muang Watcharapol", 2) "Baan Klang Muang Ratchaphruek", 3) "Baan Klang Muang The Edition Rama 9 – Phatthanakan", 4) "Pleno Ratchapruek – Rattanathibet", 5) "Pleno Rama 9 - Krungthep Kreetha", and 6) "Centro Chaiyaphruek - Chaengwattana 2".
  - Condominium: AP condo revenue reported at THB 2.1 billion showing significant growth both YoY (+63.9%) and QoQ (+28.4%). "Vittorio" was a key contributor for the good performance with transfer value of THB 631.7 million. In addition, we saw an improvement on sales and transfer of ready-to-move in projects, such as Aspire Erawan Phase 1, Aspire Ngamwongwan, and Aspire Ratchada-Wongsawang, showing our ability to clear off existing stocks.
- In Q3, overall GM reported at 33.3% (-330bpt YoY) or underlying GM\* of 34.8% (-180bpt YoY). A decline of GM was resulted by AP condo GM and phasing of management and sales fees billed to JV companies. In this quarter, we billed THB 96.8 million of management and sales fee to JV companies versus THB 160.0 million in the same period of last year.



- Reported SG&A was at THB 1.5 billion or 21.2% of revenue (-80 bpt YoY). We saw an increase in absolute “Marketing and Selling Expenses”, which was spent to support 12 new launches in Q3 and our communication on “AP Happiness” campaign. Since JV operation is under AP, underlying admin expenses would be 9.0% of revenue\*. Similarly, overall underlying SG&A would come down to 19.6% of revenue\* (versus 21.0% in the same quarter of last year).
- Revenue from JV projects reported at THB 2.3 billion (+126.5% YoY) in this quarter, making YTD transfer of THB 8.1 billion (+94.2% YoY) and recognized THB 270.7 million “Share of profit from investments in joint ventures (YTD amount of THB 890.0 million).

Note: \* Revenue and GM were based on AP + 51% portion in JV.

Please be informed accordingly.

Sincerely yours,  
AP (Thailand) Public Company Limited.  
/S/  
(Mr. Pramart Kwanchuen)  
Corporate Secretary