



AP (THAILAND) PCL.

NEWS RELEASE

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Subject: Explanation on 24.9% year-on-year increase in revenue and 22.5% year-on-year increase in net profit results

To: Director and Manager
The Stock Exchange of Thailand

AP (Thailand) Plc. would like to report 2018 revenue of THB 27.7 billion and net profit of THB 3.9 billion. Comparing to last year, revenue increased by +24.9% YoY (from THB 22.2 billion) and net profit increased by +22.5% YoY (from THB 3.1 billion) resulting from the followings:

- 2018 revenue (excluding JV) reported at THB 27.7 billion (+24.9% YoY), of which THB 8.7 billion was recorded in Q4. Both condo and low rise could deliver a better performance than target.
- Condominium: In Q4, AP condo performed well with revenue of THB 3.7 billion, making full year revenue of THB 8.8 billion (+10.9% YoY). There was one new project, “Aspire Sathorn - Ratchapruek”, started to transfer in November. The project was launched in Q1 and it was transferred by 37.6% at the end of 2018. Highlight of the year would be “Vittorio”. The project was well accepted by the market after price adjustment. It was almost sold out by the end of the year (98.9% sold) and was able to transfer by 61.4% or an amount of THB 2.2 billion. In 2018, we completed transfer of 5 projects including “Rhythm Sukhumvit 42”, “Aspire Wuttakard”, “Life Sukhumvit 48”, “Rhythm Asoke II”, and “Rhythm Sukhumvit 36-38”, proving good quality backlog and our ability to sell “ready-to-move in” products.
- Low Rise: Big year for low rise projects, Q4 revenue peaked at THB 4.7 billion (+11.6% YoY) along with good performance in earlier quarters resulting in a new high full year revenue at THB 17.8 billion (+35.2% YoY). Existing projects continued their good sales and transfer rate, incorporated with 8 new projects which started to transfer in Q4 at a satisfying rate. Such projects include: 1) “Baan Klang Muang The Era Pinklao - Charan”, 2) “Centro Ratchapruek - Chaengwattana”, 3) “The City Ratchada - Wongsawang”, 4) “Centro Ratchapruek 2”, 5) “Pleno Bangna - Onnut”, 6) “Pleno Chaiyapruek”, 7) “Pleno Ramintra”, and 8) “The Palazzo Srinakarin”.



- AP reported GM was 33.8% (-190bpt YoY) with underlying GM* of 35.1% (-70bpt YoY). Property GM* delivered at 33.7% (-30bpt YoY). A decrease in GM was affected by condo AP GM and phasing of management and sales fee collected from JV (THB 481 million in 2018 versus THB 581 million in 2017).
- SG&A recorded at THB 5.7 billion or 20.7% of reported revenue (+20bpt YoY). Since JV operation is under AP, underlying admin expenses would be 8.9% of revenue*. In the same manner, underlying SG&A would drop to 19.0% (-10bpt YoY).
- Impressive year for JV with transfer amount of THB 10.3 billion (+53.4% YoY). Also, there was an immense growth in "Share of profit from investments in joint ventures" (+124.3% YoY) reaching new high at THB 1.1 billion.

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

Please be informed accordingly.

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