

RP-AC 003/2017

August 10, 2017

Subject: Clarification of Q2/17 Operating Results

To: Directors and Managers of the Stock Exchange of Thailand

Richy Place 2002 Public Company Limited (RICHY) would like to clarify the company operating results for three-month and six-month periods ended 30th June 2017 as follows:

Comparison of the three-month period profit and loss ended June 2017 and June 2016

Unit: Million Baht

Profit and Loss Statement	Consolidated Financial Statement		Comparison of the quarterly Separate Financial statement					
	30 th June 2017		30 th June 2017		30 th June 2016		In(De)crease	%
	million baht	%	million baht	%	million baht	%		
Revenue from sales of real estate	238.90	98.68	238.90	98.39	169.60	97.98	69.30	40.86
Other income	3.19	1.32	3.92	1.61	3.49	2.02	0.43	12.32
Total income	242.09	100.00	242.82	100.00	173.09	100.00	69.73	40.29
Cost of real estate sales	160.85	67.33	160.85	67.33	103.69	61.14	57.16	55.13
Gross profit	81.24	33.56	81.97	33.76	69.40	40.09	12.57	18.11
Selling and Administrative expenses	46.71	19.29	44.21	18.21	44.94	25.96	(0.73)	(1.62)
Selling expenses	37.63	15.54	35.36	14.56	36.31	20.98	(0.95)	(2.62)
Administrative expenses	9.08	3.75	8.85	3.64	8.63	4.99	0.22	2.55
Profit before financing costs and income tax expense	34.53	14.26	37.76	15.55	24.46	14.13	13.30	54.37
Financing cost	11.22	4.63	10.05	4.14	2.87	1.66	7.18	250.17
Profit before income tax expense	23.31	9.63	27.71	11.41	21.59	12.47	6.12	28.35
Income tax expense	4.51	1.86	4.51	1.86	8.00	4.62	(3.49)	(43.63)
Profit for the period	18.80	7.77	23.20	9.55	13.59	7.85	9.61	70.71

Comparison of six-month period profit and loss ended June 2017 and June 2016

Unit: Million Baht

Profit and Loss Statement	Consolidated Financial Statement		Comparison of Half-Yearly Separate Financial statement					
	30 th June 2017		30 th June 2017		30 th June 2016		In(De)crease	%
	million baht	%	million baht	%	million baht	%		
Revenue from sale of real estate	412.24	98.99	412.24	96.70	355.55	98.49	56.69	15.94
Other income	4.21	1.01	14.07	3.30	5.44	1.51	8.63	158.64
Total income	416.45	100.00	426.31	100.00	360.99	100.00	65.32	18.09
Cost of real estate sales	270.39	65.59	270.39	65.59	232.17	65.30	38.22	16.46
Gross profit	146.06	35.07	155.92	36.57	128.82	35.69	27.10	21.04
Selling and Administrative expenses	93.45	22.44	89.12	20.90	78.81	21.83	10.31	13.08
Selling expenses	77.18	18.53	73.59	17.26	62.01	17.18	11.58	18.67
Administrative expenses	16.27	3.91	15.53	3.64	16.80	4.65	(1.27)	(7.56)
Profit before financing costs and income tax expense	52.61	12.63	66.80	15.67	50.01	13.85	16.79	33.57
Financing cost	22.70	5.45	30.66	7.19	5.41	1.50	25.25	466.73
Profit before income tax expense	29.91	7.18	36.14	8.48	44.60	12.35	(8.46)	(18.97)
Income tax expense	6.66	1.60	6.66	1.56	14.22	3.94	(7.56)	(53.16)
Profit for the period	23.25	5.58	29.48	6.92	30.38	8.42	(0.90)	(2.96)
Item that can not be reclassified to profit or loss	-	-	-	-	0.73	0.20	(0.73)	(100.00)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	23.25	5.58	29.48	6.92	31.11	8.62	(1.63)	(5.24)

Remark: Figures in profit and loss statement are presented in percentages to total revenues, excluding “Cost of real estate sales” that is presented in a percentage to revenue from sales of real estate.

Total Revenue

In the 3-month period of the second quarter of 2017, the company generated the revenue of 242.82 Million Baht, which increased by 69.73 Million Baht or increased by 40.29% compare to the same quarter last year. This was due to an increase in real estate sales revenue by 69.30 Million Baht, or increased by 40.86% compare to same period last year.

For the six-month period, the total revenue was 426.31 Million Baht, which increased by 65.32 Million Baht or an increase by 18.09% compared to the same period last year. The key factor was from an increase in real estate revenue recognition of 56.69 Million Baht or an increase by 15.94%. The revenue can be distinguished as follows:

Comparison of six-month period operating income ended June 30th, 2017 and 2016

Unit: Million Baht

Projects	Consolidated Revenue	Project Revenue			
	Revenue (Million Baht)	Revenue (Million Baht)		Increase	%
	30 th -Jun-60	30 th -Jun-60	30 th -Jun-59	(Decrease)	
Revenue from sales of real estate	412.24	412.24	355.55	56.69	15.94
■ Condominium	380.39	380.39	293.41	86.98	29.64
- LE RICH @Rama 3	59.53	59.53	3.10	56.43	1,820.32
- The Rich @ Sathorn - Taksin	277.12	277.12	-	277.12	100.00
- Rich Park @Bangson Station	16.30	16.30	4.47	11.83	264.65
- RICH PARK2 @Taopoon Interchange	7.33	7.33	43.80	(36.47)	(83.26)
-RICH PARK3 @CHAOPHRAYA	20.11	20.11	242.04	(221.93)	(91.69)
■ Townhomes	31.85	31.85	62.14	(30.29)	(48.74)
- The Rich Biz Home @Sukhumvit 105	25.65	25.65	19.81	5.84	29.48
- The Rich Ville @Ratchapruk	6.20	6.20	42.33	(36.13)	(85.35)

In the six-month period, the Company had a revenue from condominium sales of 380.39 Million Baht, which is increased by 86.98 Million Baht or up by 29.64%. This was mainly due to the Rich @ Sathorn–Taksin Project completion and the condominium unit transfer. This enable the company to recognize the sales revenue in this period.

On the other hand, the sales of Town Homes was 31.85 Million Baht, decreased by 30.29 Million Baht, or down by 48.74%

Cost of real estate sales

In the three-month period, the cost of sales was 160.85 Million Baht or 67.33 % of the revenue from real estate. When compared to last year the figure was at 103.69 million baht or 61.14 % of its revenue from real estate sales. This is equivalent to an increased by 6.19 % from the same period last year.

For the period of six months, the cost of sales was 270.39 Million Baht or 65.59 % of the total revenue from real estate sales. When compared to same period last year the figure was 232.17 Million baht or 65.30 % of the real estate sales revenue. This is equivalent to an increased by 0.29 % from the same period last year.

Selling & Administrative expenses

In the three-month period, the Company had the selling and administrative expenses of 44.21 Million Baht, decreased by 0.73 million baht or down by 1.62% from the previous year. To this, the selling expenses decreased by 0.95 Million Baht or decreased of 2.62% from last year. The main factor was due to a stringent control of selling expenses budget causing the expense to be lower. On the other hand, the administrative expenses in this three-month period was 8.85 million baht which increase by 0.22 Million Baht or 2.55 %higher than last year.

For a period of six months, the Company had the selling and administrative expenses of 89.12 Million Baht, increase by 10.31 Million Baht or up by 13.08% from the previous year. To this, selling expenses increased by 11.58

Million Baht or increase by 18.67% . The main factor was due to a launching of many new projects which resulting in higher marketing & selling expenses when compare to the previous year. Nonetheless, the administrative expenses of a period of six months were 15.53 Million Baht, decreased by 1.27 Million Baht or down by 7.56 % due to Company had a stringent cost control.

Financing Cost

In the Second quarter of 2017, the Company's financing cost was 10.05 Million Baht or an increase of 7.18 Million Baht which is equivalent to an increase of 250.17 % from the previous year.

For the period of six months of the fiscal year 2017, the Company's financing cost was 30.66 Million Baht, which increased by 25.25 Million Baht, or up by 466.73% from the previous year. The result was mainly due to more ready-to-move-in projects in the company which causing the interests to be booked as a financing cost rather than in the cost of real estate sales.

Net Profit

In the second quarter of 2017, The Net Profit of the company was 23.20 million baht, or 9.55% of the total revenue. The net profit increased by 9.61 million baht or increase by 70.71% from the same period of last year. The increase was due to more condominium units transfer as well as revenue recognition.

The Company's net profit for the first six months of the fiscal year 2017 was 29.48 Million Baht, or 6.92% of the total revenue. The net profit decreased by 1.63 million baht or down by 5.24% from the same period of last year. The key factor was due to an increase in financing cost of 466.73% from last year.

Please be informed accordingly.

Sincerely yours,

(Mrs. Klinsukhon Luephongphaichit)
Chief Financial Officer