

August 25, 2017

Re: Clarification on the Financial Performance of the Company and its subsidiaries as of Year 2015

Attn: President

The Stock Exchange of Thailand

We, K. C. Property Public Company Limited and the subsidiaries ("the Company and its subsidiaries") would like to clarify on the financial performance for the year ending December 31, 2016 as follows:

| Particulars | Year 2016 | | Year 2015 | | increase (decrease) | |
|---|---------------|----------------|-----------------|---------------|---------------------|-----------------|
| | Million Baht | % | Million Baht | % | Million Baht | % |
| Revenue | | | | | | |
| Revenue from property sales | 708.62 | 82.67% | 919.19 | 98.1% | -210.57 | -22.91% |
| Other income | 85.57 | 10.77% | 17.60 | 1.9% | 67.98 | 386.33% |
| Total Income | 794.13 | 100.00% | 936.78 | 100.0% | -142.60 | -15.22% |
| Expense | | | | | | |
| Cost of sales | 597.99 | 69.77% | 746.55 | 79.7% | -148.55 | -19.90% |
| Selling expenses | 35.11 | 4.10% | 51.52 | 5.5% | -16.41 | -31.86% |
| Administrative expenses | 21.71 | 2.73% | 505.45 | 54.0% | -483.74 | -95.70% |
| Loss from impairment of property investment | 5.69 | 0.66% | - | - | 5.69 | 100.00% |
| Total Expense | 723.45 | 84.40% | 1,303.52 | 139.1% | -580.08 | -44.50% |
| Profit before finance costs and income tax expense | 133.69 | 15.60% | -366.74 | -39.1% | 500.42 | -136.45% |
| Finance costs | 36.13 | 4.22% | 45.56 | 4.9% | -9.43 | -20.69% |
| Profit before income tax expense | 97.55 | 11.38% | -412.30 | -44.0% | 509.85 | -123.66% |
| Income tax expense | 9.44 | 1.10% | 0.57 | 0.1% | 8.87 | 1568.27% |
| Profit for the period | 88.12 | 10.28% | -411.73 | -44.0% | -323.62 | 78.60% |

1. Revenue from performance

The Company and its subsidiaries have the total revenue for the year 2016 and year 2015 in the amount of Baht 857.13 Million and Baht 936.78 Million, respectively, decreased by Baht 79.65 Million or 8.5 percent compared to the year 2015 as follows:

1.1 Revenue from real estate sales

For year 2015, the revenue was decreased by Baht 210.57 Million or 22.91 percent compared to the year 2015.

1.2 Other incomes

For year 2016, the other incomes were increased by Baht 67.97 Million or 386.19 percent compared to year 2015, due to the Company had gain on disposal of Land held for development, sale of investment property, other incomes and accounting adjustment.

2. Cost of sales

For year 2016, cost of sales was decreased by Baht 148.55 Million or 19.90 percent compared to year 2015 and vary from the decreased of revenue from property sales as detailed shown in the below table of revenue from business operation performance.

| Particulars | Year 2016 | Year 2015 | increase (decrease) | |
|-----------------------------|-----------------|-----------------|---------------------|---------|
| | Million Baht | Million Baht | Million Baht | % |
| Revenue from property sales | 708.62 | 919.19 | -210.57 | -22.91% |
| Cost of Sales | 597.99 | 746.55 | -148.56 | -19.90% |
| Gross profit | 110.63 | 172.64 | -62.01 | -35.92% |
| % Gross Profit | 15.61% | 18.78% | -3.17% | |

3. Gross profit

For year 2016, gross profit was decreased by Baht 62.01 Million or 35.92 percent compared to year 2015 and vary from the decreased of revenue from property sales as detailed shown in the below table of revenue from business operation performance.

The gross profit ratio for year 2016 and year 2015 were 15.61 percent and 18.78 percent, respectively, and this ratio for year 2016 was increased by 3.17 percent.

4. Expense

4.1 Selling expenses

For year 2016, the selling expenses was decreased by Baht 16.41 Million or 31.86 percent compared to year 2015, due to the Company and its subsidiaries had the advertising expenses and sale promotions decreased comparing to year 2015. The specific business tax and transfer fees are in line with the income derived.

4.2 Administrative expenses

For year 2016, the administrative expenses was decreased by Baht 483.74 Million or 95.70 percent compared to year 2015, due to decrease of salary, employment benefit, doubtful accounts, fees and other administrative expenses which are in line with the Company's organizational management as aforementioned details.

5. Finance costs

Finance costs were comprising of an interest paid to banks and interests paid in accordance with hire-purchase agreements for year 2016. Finance costs were decreased by Baht 9.43 Million or 20.7 percent compared to year 2015, due to the Company and its subsidiaries had the amount of loan recognition in year 2015 more than those of year 2016.

6. Income Tax Expense

For year 2016, income tax expenses were increased by Baht 8.87 Million or 1568.27 percent compared to year 2015 and vary from the increase of revenue as mentioned above.

7. Profit for the period

The Company and its subsidiaries had profits for year 2016 which were increased by Baht 323.62 Million or 78.60 percent compared to year 2015, due to the Company and its subsidiaries had gain on disposal of Land held for development and property investment as mentioned above in the amount of Baht 70.4 Million or 78.60 percent compared to year 2015 including the increased revenue in the amount

of Baht 62.94 Million. The sale and administrative expenses were decreased in the amount of Baht 437.21 Million and the income tax was increased by Baht 9.44 Million. The total of the aforesaid expenses were less than the revenue. As a result, the profit for the period had increased comparing to year 2015.

8. Financial position

| Particulars | Dec 31, 2016 | Dec 31, 2015 | YoY | % |
|--|---------------------|---------------------|------------|----------|
| Assets (Million Baht) | 1,544.93 | 2,060.09 | -515.15 | -25.01% |
| Total Liabilities (Million Baht) | 644.40 | 1,255.62 | -611.22 | -48.68% |
| Total Shareholders' Equity (Million Baht) | 900.53 | 804.46 | 96.07 | 11.94% |

As at December 31, 2016, the Company and its subsidiaries had the total assets decreased in year 2015 by Baht 515.15 Million or 25.01 percent, due to the Company and its subsidiaries mainly had the costs of sales for real estate development projects, deposit for land, land held for development, land building and equipment, cash and cash at bank, temporary investment, prepaid expense - construction fee. The total liabilities was decreased by Baht 611.22 Million or 48.68 percent compared to year 2015, due to the Company and its subsidiaries had debenture stock and bill of exchange, short-term loan and long-term loan borrowing from financial institutions, trade account payable and other account payable for working capital, investment in real estate project, and deposit and advance received from customers. At the present time, there are 14 projects available for reservation.

For shareholders' equity as at December 31, 2016, the Company and its subsidiaries had the total shareholders' equity increased from year 2015 by Baht 96.07 Million or 11.94 percent compared to year 2015.

Sincerely,

- Signature -

Mr. Kitisan Mukdee

Director and Managing Director

Authorized Person to Disclose Information

