

RP-AC 004/2017

November 10, 2017

Subject: Clarification of Q3/17 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 the three-month and six-month periods ended 30<sup>th</sup> September 2017 as follows:

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

Unit: Million Baht

Profit and Loss Statement	Consolidated Financial Statement		Comparison of the quarterly Separate Financial statement					
	30 <sup>th</sup> Sep 2017		30 <sup>th</sup> Sep 2017		30 <sup>th</sup> Sep 2016		In(De)crease	%
	Million Baht	%	Million Baht	%	Million Baht	%		
Revenue from sales of real estate	351.68	99.00	351.68	97.43	91.29	91.80	260.39	285.23
Other income	3.55	1.00	9.29	2.57	8.15	8.20	1.14	13.99
<b>Total income</b>	<b>355.23</b>	<b>100.00</b>	<b>360.97</b>	<b>100.00</b>	<b>99.44</b>	<b>100.00</b>	<b>261.53</b>	<b>263.00</b>
Cost of real estate sales	228.52	64.98	228.52	64.98	56.03	61.38	172.49	307.85
<b>Gross profit</b>	<b>126.71</b>	<b>35.67</b>	<b>132.45</b>	<b>36.69</b>	<b>43.41</b>	<b>43.65</b>	<b>89.04</b>	<b>205.11</b>
Selling and Administrative expenses	63.97	18.01	62.54	17.32	36.27	36.47	26.25	72.37
Selling expenses	56.67	15.95	55.29	15.31	28.78	28.94	26.50	92.08
Administrative expenses	7.30	2.06	7.25	2.01	7.49	7.53	(0.25)	(3.34)
<b>Profit before financing costs and income tax expense</b>	<b>62.74</b>	<b>17.66</b>	<b>69.91</b>	<b>19.37</b>	<b>7.14</b>	<b>7.18</b>	<b>62.79</b>	<b>879.41</b>
Financing cost	8.28	2.33	11.82	3.27	4.40	4.42	7.42	168.64
<b>Profit before income tax expense</b>	<b>54.46</b>	<b>15.33</b>	<b>58.09</b>	<b>16.10</b>	<b>2.74</b>	<b>2.76</b>	<b>55.37</b>	<b>2,020.80</b>
Income tax expense	8.69	2.45	8.69	2.41	(1.68)	(1.69)	10.37	(617.26)
<b>Profit for the period</b>	<b>45.77</b>	<b>12.88</b>	<b>49.40</b>	<b>13.69</b>	<b>4.42</b>	<b>4.44</b>	<b>44.98</b>	<b>1,017.65</b>

Comparison of nine-month period profit and loss ended September 2017 and September 2016

Unit: Million Baht

Profit and Loss Statement	Consolidated Financial Statement		Comparison of Haft-Yearly Separate Financial statement					
	30 <sup>th</sup> Sep 2017		30 <sup>th</sup> Sep 2017		30 <sup>th</sup> Sep 2016		In(De)crease	%
	Million Baht	%	Million Baht	%	Million Baht	%		
Revenue from sale of real estate	763.92	98.99	763.92	97.03	446.85	97.05	317.07	70.96
Other income	7.77	1.01	23.36	2.97	13.60	2.95	9.76	71.76
<b>Total income</b>	<b>771.69</b>	<b>100.00</b>	<b>787.28</b>	<b>100.00</b>	<b>460.45</b>	<b>100.00</b>	<b>326.83</b>	<b>70.98</b>
Cost of real estate sales	498.91	65.31	498.91	65.31	288.20	64.50	210.71	73.11
<b>Gross profit</b>	<b>272.78</b>	<b>35.35</b>	<b>288.37</b>	<b>36.63</b>	<b>172.25</b>	<b>37.41</b>	<b>116.12</b>	<b>67.41</b>
Selling and Administrative expenses	157.42	20.40	151.65	19.26	115.08	24.99	36.57	31.78
Selling expenses	133.85	17.35	128.88	16.37	90.79	19.72	38.09	41.95
Administrative expenses	23.57	3.05	22.77	2.89	24.29	5.28	(1.52)	(6.26)
<b>Profit before financing costs and income tax expense</b>	<b>115.36</b>	<b>14.95</b>	<b>136.72</b>	<b>17.37</b>	<b>57.17</b>	<b>12.42</b>	<b>79.55</b>	<b>139.15</b>
Financing cost	30.98	4.01	42.48	5.40	9.81	2.13	32.67	333.03
<b>Profit before income tax expense</b>	<b>84.38</b>	<b>10.93</b>	<b>94.24</b>	<b>11.97</b>	<b>47.36</b>	<b>10.29</b>	<b>46.88</b>	<b>98.99</b>
Income tax expense	15.35	1.99	15.35	1.95	12.55	2.73	2.80	22.31
<b>Profit for the year</b>	<b>69.02</b>	<b>8.94</b>	<b>78.88</b>	<b>10.02</b>	<b>34.81</b>	<b>7.56</b>	<b>44.08</b>	<b>126.60</b>
Item that cannot be reclassified to profit or loss	-	-	-	-	0.73	0.16	(0.73)	(100.00)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>69.02</b>	<b>8.94</b>	<b>78.88</b>	<b>10.02</b>	<b>35.54</b>	<b>7.72</b>	<b>43.34</b>	<b>121.95</b>

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 three-month period of the third quarter of 2017, the company generated the revenue of 360.97 Million Baht, which increased by 261.53 Million Baht or increased by 263% compare to the same quarter last year. This was due to an increase in real estate sales revenue by 260.39 Million Baht, or increased by 285.23% compare to same period last year.

For the nine-month period, the total revenue was 787.28 Million Baht, which increased by 326.83 Million Baht or an increase by 70.98% compared to the same period last year. The key factor was from an increase in real estate revenue recognition of 317.07 Million Baht or an increase by 70.96%. The revenue can be distinguished as follows:

Comparison of nine-month period operating income ended September 30, 2017 and 2016

Unit: Million Baht

Projects	Consolidated Revenue	Project Revenue			
	Revenue (Million Baht)	Revenue (Million Baht)		Increase (Decrease)	%
	30 <sup>th</sup> -Sep-60	30 <sup>th</sup> -Sep-60	30 <sup>th</sup> -Sep-59		
<b>Revenue from sales of real estate</b>	<b>763.92</b>	<b>763.92</b>	<b>446.85</b>	<b>317.07</b>	<b>70.96</b>
<b>¾ Condominium</b>	<b>729.58</b>	<b>729.58</b>	<b>369.97</b>	<b>359.61</b>	<b>97.20</b>
- LE RICH @Rama 3	104.81	104.81	3.10	101.71	3,280.97
- The Rich @ Sathorn - Taksin	502.33	502.33	-	502.33	100.00
- Rich Park @Bangson Station	30.06	30.06	43.39	(13.33)	(30.72)
- RICH PARK2 @Taopoon Interchange	24.69	24.69	64.59	(39.90)	(61.77)
-RICH PARK3 @CHAOPHRAYA	67.69	67.69	258.89	(191.20)	(73.85)
<b>¼ Townhomes</b>	<b>34.34</b>	<b>34.34</b>	<b>76.88</b>	<b>(42.54)</b>	<b>(55.33)</b>
- The Rich Biz Home @Sukhumvit 105	25.65	25.65	24.66	0.99	4.01
- The Rich Ville @Ratchapruk	8.69	8.69	52.22	(43.53)	(83.36)

In the nine-month period, the Company had a revenue from condominium sales of 729.58 Million Baht, increased by 359.61 Million Baht or up by 97.20%. This was mainly due to the Rich @ Sathorn-Taksin Project completion and the condominium unit transfer, which enable the company to recognize the sales revenue in this period.

On the other hand, the sales of Town Homes was 34.34 Million Baht, decreased by 42.54 Million Baht, or down by 55.33%

#### Cost of real estate sales

In the three-month period, the cost of sales was 228.52 Million Baht or 64.98 % of the revenue from real estate. When compared to last year the figure was at 56.03 Million Baht or 61.38 % of its revenue from real estate sales. This is equivalent to an increased by 3.60 % from the same period last year.

For the period of nine months, the cost of sales was 498.91 Million Baht or 65.31 % of the total revenue from real estate sales. When compared to same period last year the figure was 288.20 Million baht or 64.50 % of the real estate sales revenue. This is equivalent to an increased by 0.81 % from the same period last year.

### **Selling & Administrative expenses**

In the three-month period, the Company had the selling and administrative expenses of 62.52 Million Baht, increased by 26.25 Million Baht or up by 72.37% from the previous year. To this, the selling expenses increased by 26.50 Million Baht or increase of 92.08% from last year. The main factor was due to more residential projects were being launched which caused the expense to subsequently increase. On the other hand, the administrative expenses in this three-month period was 7.24 million baht which increased by 0.25 Million Baht or 3.34 % lower than last year.

For a period of nine months, the Company had the selling and administrative expenses of 151.65 Million Baht, increase by 36.57 Million Baht or up by 31.78% from the previous year. To this, selling expenses increased by 38.09 Million Baht or increase by 41.95%. The main factor was due to more number of new projects which resulted in more marketing & selling expenses than the previous year. Nonetheless, the administrative expenses of a period of nine months were 22.77 Million Baht, decreased by 1.52 Million Baht or down by 6.26 % due to Company had a stringent cost control.

### **Financing Cost**

In the third quarter of 2017, the Company's financing cost was 11.82 Million Baht, increased by 7.42 Million Baht which is equivalent to an increase of 168.64 % from the previous year.

For the period of nine months of the fiscal year 2017, the Company's financing cost was 42.48 Million Baht, increased by 32.67 Million Baht, or up by 333.03% from the previous year. The result was mainly due to more ready-to-move-in projects in the company which caused the interests to be booked as a financing cost rather than in the cost of real estate sales.

### **Net Profit**

In the third quarter of 2017, The Net Profit of the company was 49.40 Million Baht, or equivalent to 13.69% of the total revenue. The net profit increased by 44.98 Million Baht or increase by 1,017.65% from the same period of last year. The increase was due to more sales of condominium units as well as more revenue recognition.

The Company's net profit for the first nine months of the fiscal year 2017 was 78.88 Million Baht, or 10.02% of the total revenue. The net profit increased by 43.34 million baht or up by 121.95% from the same period of last year. The key factor was due to more sales of condominium units as well as more revenue recognition of 70.96% than last year.

Please be informed accordingly.

Sincerely yours,

(Mrs. Klinsukhon Luephongphaichit)

Chief Financial Officer