

Ref : LAW 61/02/02

21 February 2018

Subject: Management Discussion and Analysis Yearly Ending December 31, 2017

To President The Stock Exchange of Thailand

Prinsiri Public Company Limited (Prin) would like to clarify the company and its subsidiaries operating result for the year ended 31st December 2017 as follows:

Comparison performance of the Company between the year ended December 2017 and December 2016

Unit: million baht

Profit and Loss Statement Items	2017		2016		In(De)crease	
		%		%		%
Sales of real estate	3,014.41	93.67	2,872.90	94.59	141.51	4.93
Sales of goods	7.73	0.24	11.66	0.38	(3.93)	(33.70)
Rental and Services	132.43	4.12	133.78	4.40	(1.35)	(1.01)
Other income	63.57	1.98	18.89	0.62	44.68	236.53
<b>Total revenues</b>	<b>3,218.14</b>	<b>100.00</b>	<b>3,037.23</b>	<b>100.00</b>	<b>180.91</b>	<b>5.96</b>
Cost of sales of real estate	2,123.50	70.44	2,035.92	70.87	87.58	4.30
Cost of sales of goods	6.41	0.20	9.90	0.33	(3.49)	(35.25)
Cost of rental and services	87.21	2.71	86.44	2.85	0.77	0.89
<b>Total cost of sales</b>	<b>2,217.12</b>	<b>68.89</b>	<b>2,132.27</b>	<b>70.20</b>	<b>84.85</b>	<b>3.98</b>
Selling and Administrative expenses						
Selling expenses	89.58	2.78	115.78	3.81	(26.20)	(22.63)
Administrative expenses	426.57	13.26	440.51	14.50	(13.94)	(3.16)
<b>Total selling and Administrative expenses</b>	<b>516.15</b>	<b>16.04</b>	<b>556.29</b>	<b>18.32</b>	<b>(40.14)</b>	<b>(7.22)</b>
Finance costs-interest expenses	80.81	2.51	64.68	2.13	16.13	24.94
Income tax	87.05	2.70	68.10	2.24	18.95	27.83
<b>Profit(Loss) for the period</b>	<b>317.01</b>	<b>9.85</b>	<b>215.90</b>	<b>7.11</b>	<b>101.11</b>	<b>46.83</b>

Remark: Percentage in statement of comprehensive income derived from total income, while percentage of cost of real estatesales is only related to revenue from real estate sales.

### Total Revenue

For the year 2017, the Company and its subsidiaries generated a total revenue of 3,218.14 million baht, an increase of 180.91 million baht or a 5.96% . Real estate revenue of 3,014.41 million baht increase 141.51 million baht. or a 4.93% from the previous year.

Revenue from sale of real estate by products:

Unit: million baht

Products	2017	2016	In(De)crease	
				%
Townhouse	1,420.65	1,061.44	359.21	33.84
Single-detached house	1,235.37	1,254.67	(19.30)	(1.54)
Condominium	358.42	556.79	(198.37)	(35.63)
<b>Revenue from sale of real estate</b>	<b>3,014.41</b>	<b>2,872.90</b>	<b>141.51</b>	<b>4.93</b>

For the year 2017, revenue from townhouses was 1,420.65 million baht, an increase of 359.21 million baht or a 33.84% increase from the previous year because the company realized revenue from 1 new projects. Revenue from single-detached houses was 1,235.37 million baht, an decrease of 19.30 million baht or a 1.54 % .

Revenue from condominium was 358.42 million baht, an decrease of 198.37 million baht or a 35.63% decrease from the previous year.

### Cost of real estate sales

In 2017, the Company and its subsidiaries incurred cost of real estate sales of 2,123.50 million baht or 70.44% of the real estate revenue as compared to 2,035.92 million baht or 70.87% of the real estate revenue from the previous year. Cost of real estate ratio of 2017 increased 87.58 million or 4.30% from 2016

### Selling & Administrative expense

In 2017, the Company and its subsidiaries incurred selling and administrative expenses of 516.15 million baht, an decrease of 40.14 million baht or a 7.22% decrease from the previous year. The main reason of Increased because improved control of selling & administrative expenses.

### Financing cost

In 2017, the Company and its subsidiaries incurred financing cost of 80.81 million baht or 2.51% of total revenue, an increase of 16.13 million baht or a 24.94% increase from the previous year.

### Income tax expenses

In 2017, income tax expenses were 87.05 million baht or 2.70% of total revenue, an increase of 18.95 million baht or 27.83% from the previous

### Net profit

In 2017, the net profit of the Company and its subsidiaries was 317.01 million baht or 9.85% of total revenue, an increase of 101.11 million baht or a 46.83% increase from the previous year. The main factor was an increase of Sales of real estate and improved control of selling & administrative expenses.

### Financial Ratios

ประจำปี		2017	2016
<b>LIQUIDITY RATIO</b>			
Liquidity ratio	Times	3.17	2.71
Quick ratio	Times	0.39	0.25
Inventory turnover	Times	0.69	0.51
Cash cycle	Days	476.74	699.83
<b>PROFITABILITY RATIO</b>			
Gross profit margin-real estate	%	29.56	29.13
Operating profit margin	%	15.37	11.55
Net profit margin	%	10.05	7.15
Return on equity	%	7.80	5.49
<b>EFFICIENCY RATIO</b>			
Return on total assets	%	3.63	2.39
Return on fixes asset	%	10.21	8.55
Asset turnover	Times	0.38	0.34
<b>FINANCIAL RATIO</b>			
Debt to Equity ratio	Times	0.92	1.13
Interest payment ratio	Times	6.00	5.39
Dividend Payment	%	46.00	68.00

Sincerely yours,

(Mr.Chairat Kovitchindachai)

Senior Voce President,MD office