



November 14, 2019

Re: Clarification of the operating results of company and its subsidiaries for the three month period end March 31, 2019

To: President
The Stock Exchange of Thailand

K.C. Property Public Company Limited and its subsidiaries (“company and subsidiaries”) would like to clarify our operating results for the three month period end March 31, 2019 as follows:-

(Unit: million Baht)

For 3 months, end of March 31, 2019

| Financial Statement | Consolidate financial statement | | | | % revenue from sales | |
|---|---------------------------------|----------------|--------------------|---------------|----------------------|-----------------|
| | Q1/2019 | Q1/2018 | increase(decrease) | | Q1/2019 | Q1/2018 |
| Revenues from sales | 67.47 | 56.46 | 11.01 | 19.50% | 100.00% | 100.00% |
| Cost of sales | (48.06) | (37.80) | (10.26) | 27.14% | (71.23%) | (52.49%) |
| Gross Profit | 19.41 | 18.66 | 0.75 | 4.02% | 28.77% | 33.05% |
| Other income | 2.78 | 1.66 | 1.12 | 67.47% | 4.12% | 2.94% |
| Gain on disposal of investment property | 0.00 | 0.00 | 0.00 | N/A | 0.00% | 0.00% |
| Revenues from reduction of defaulted interest under the court order | 0.00 | 0.00 | 0.00 | N/A | 0.00% | 0.00% |
| Distribution costs | (6.03) | (7.75) | (1.72) | 22.19% | (8.94%) | (13.73%) |
| Administrative expenses | (23.09) | (22.26) | 0.83 | (3.73%) | (34.22%) | (39.43%) |
| Other Expenses | | | | | | |
| Doubtful accounts | (0.57) | (0.66) | 0.09 | 13.64% | (0.84%) | (1.17%) |
| Finance costs | (13.07) | (17.95) | (4.88) | 27.19% | (19.37%) | (31.79%) |
| Tax income (expense) | (2.64) | 0.00 | 2.64 | N/A | (3.91%) | 0.00% |
| Profit (loss) for the period | (23.21) | (28.30) | 5.09 | 17.99% | (34.40%) | (50.12%) |
| Basic earnings per share-Owners of the Company | (0.03) | (0.03) | | | | |
| Attributable to | | | | | | |
| Owners of the Company | (23.21) | (28.30) | 5.09 | 17.99% | | |
| Non-controlling interests | - | - | - | - | | |
| Total comprehensive income attributable to | | | | | | |
| Owners of the Company | (23.21) | (28.30) | 5.09 | 17.99% | | |
| Non-controlling interests | - | - | - | - | | |



1. Operating revenue

In summary, company and subsidiaries had total revenue for the first quarter 2019, and the same period last year Baht 70.25 million, and Baht 58.12 million respectively. The increase of Baht 12.13 million is equivalent to 20.87%, compared to the same period last year 2018.

1.1 Revenue from sales of land and houses

In first three months of 2019, the sales revenue from land and houses recorded Baht 67.47 million which increase Baht 11.01 million or 19.50% compared to the same period of year 2018.

1.2 Other revenue

The other revenue of company in first month of 2019 at Bath 2.78 million, increasing at Baht 1.12 million or 67% compared to the same period 2018.

2. Cost of sales

The first quarter 2019, the cost of sales at Baht 48.06 million, increase of Baht 10.26 million or 27.14% compared to the same period 2018, varied to the decreased revenue from sales of land and houses as bellows.

| Description | Q1/2019 | Q1/2018 | increase(decrease) | |
|---------------------|--------------|--------------|--------------------|--------|
| | million Baht | million Baht | million Baht | % |
| Revenues from sales | 67.47 | 56.46 | 11.01 | 19.50% |
| Cost of sales | 48.06 | 37.80 | 10.26 | 27.14% |
| Gross Profit | 19.41 | 18.66 | 0.75 | 4.02% |
| % Gross Profit | 28.77% | 33.05% | (0.04) | |

3. Gross profit

For the first quarter 2019, the gross profit at Baht 19.41 million, increase of Baht 0.75 million or 4.02% compared to the same period of year 2018, varied to the decreasing of revenue from sales of land and houses , details as presented in operating revenue table.

Gross profit margin of land and houses in the first quarter 2019 and 2018 were 28.77% and 33.05% respectively, decreased 0.04 %.



4. Expenses

4.1 Selling expenses

In the first quarter 2019, the selling expenses at Baht 6.03 million, decreased Baht 1.72 million or 22.19% compared to 2018 because company and subsidiaries had less advertisement and promoting expenses. Specific business tax and transfer fee were in accordance to revenue.

4.2 Administrative expenses

In the first quarter 2019, the administrative expenses at Baht 23.09 million, increased Baht 0.84 million or 3.78% compared to the same period of 2018 because of increasing of wage, welfare for employees etc.

5. Other expenses

5.1 Doubtful account

In the first quarter 2019, the doubtful account of company at Baht 0.57 million, decreased Baht 0.09 million, setting allowance for fees from joint ventures

6. Financial expenses

Financial expenses consisted of interest of banks and interest of hire purchase in the first quarter 2019 at Baht 13.07 million, decreased Baht 4.88 million or 27.19% compared to the same period of 2018 because company and subsidiaries had defaulted loan.

7. Profit for the fiscal period

Company and subsidiaries had profit (loss) in the first quarter of 2019 at (Baht 23.21 million), because of loss of operating and reduced sales increase on selling expenses administrative expenses financial expenses and doubtful account Baht 0.57 million.

Statement of Financial Position

(Unit: million Baht)

| Financial Statement | Q1/2019 | Q1/2018 | Increase (decrease) | |
|---------------------------------|----------|----------|---------------------|----------|
| Consolidate financial statement | | | | |
| TOTAL ASSET | 1,155.84 | 1,209.99 | (54.15) | (4.48%) |
| TOTAL LIABILITIES | 720.97 | 692.55 | 28.42 | 4.10% |
| TOTAL SHAREHOLDER EQUITY | 434.87 | 517.44 | (82.57) | (15.96%) |



As at March 31, 2019, company and subsidiaries had less total assets than the period March 31, 2018 at Baht 54.15 million or 4.48%, because of the Cost of real estate development projects for sales, deposit for land, Land held for development, Leasehold improvement and equipment, Cash and Bank. And total liabilities at Baht increase Baht 28.42 million or 4.10%, cause of company had defaulted debt so have increase more interest rate default, account payable, other payable, which for working capital and project, Decrease on Deposit receives and other. And now company has the development projects 10 projects. Shareholder equity less total Baht 82.57 million or 15.96%.

Yours sincerely

(Mr. Santi Piyatat)

Managing Director

K.C. Property Public Company Limited