

(Translation)



November 16, 2020

Re: Clarification of the operating results of company and its subsidiaries for the nine months period end September 30, 2020

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 nine month period end September 30, 2020 as follows:-

(Unit: million Baht)

For 9 months, end of September 30, 2020

Financial Statement	Consolidate financial statement				% Revenue from sales	
	Q3/2020	Q3/2019	increase(decrease)		Q3/2020	Q3/2019
Revenue from sales	117.39	159.78	(42.39)	(26.53)	87.16	96.05
Cost of sales	(88.33)	(119.80)	31.47	(26.27)	(75.24)	(74.98)
Gross Profit	29.06	39.98	(10.92)	(27.31)	11.91	21.07
Other income	17.30	6.57	10.73	163.32	12.84	3.95
Distribution costs	(22.38)	(17.76)	4.62	(2.60)	(19.06)	(11.12)
Administrative expenses	(73.01)	(72.76)	0.25	(0.34)	(62.19)	(45.54)
Other expenses						
Doubtful accounts	0.80	0.86	(0.06)	(6.98)	0.68	0.54
Finance costs	(25.08)	(37.91)	(12.83)	33.84	(21.36)	(23.73)
Tax income (expenses)	(0.87)	(3.16)	(2.29)	72.47	(0.74)	(1.98)
Profit (loss) for the period	(74.18)	(84.18)	10.00	11.88	(63.19)	(52.68)
Basis earning per share-Owners of the company	(0.08)	(0.10)			-	-
Other comprehensive income						
Actuarialgain (Loss) Employee benefit plans						
Total Other Comprehensive income	(0.30)	-	(0.30)	n/a	-	-
Total Other Comprehensive income	(0.30)	-	(0.30)	n/a	-	-
Attributable to						
Owners of the Company	(74.48)	(84.18)	(9.70)	11.52	(63.45)	(52.68)
Non-controlling interests	-	-	-	-	-	-

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1. Operating revenue

In summary, company and subsidiaries had total revenue for the nine months as at September 30, 2020, and the same period last year Baht 134.69 million, and Baht 166.35 million respectively. The decrease of Baht 31.66 million is equivalent to 19.03 %, compared to the same period of year 2019.

1.1 Revenue from sales of land and houses

In the nine months of 2020, the sales revenue from land and houses recorded Baht 117.39 million which decrease Baht 42.39 million or 26.53 % compared to the same period of year 2019.

1.2 Other revenue

The other revenue of company in the nine months of 2020 at Baht 17.30 million, increasing at Baht 10.73 million or 163.32% compared to the same period of year 2019, Because of the company had sold a plot of land held Development amount Baht 106.31 million profit from sales, net of commission at Baht 5.50 million.

2. Cost of sales

In the nine months of 2020, the cost of sales at Baht 88.33 million, decrease of Baht 31.47 million or 26.27% compared to the same period of year 2019, varied to the decreased revenue from sales of land and houses as bellows.

(Unit : Million Baht)

List	Q3/2020	Q3/2019	increase(decrease)	
	Baht	Baht	Baht	%
Revenue from sales	117.39	159.78	(42.39)	(26.53)
Cost of sales	88.33	119.80	(31.47)	(26.27)
Gross Profit	29.06	39.98	(10.92)	(27.31)
% Gross profit	24.76%	25.02%	(0.0027)	

3. Gross profit

In the nine months of 2020, the gross profit at Baht 29.06 million, decrease of Baht 10.92 million or 27.31% compared to the same period of year 2019, varied to the decreasing of revenue from sales of land and houses, details as presented in operating revenue table.

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Gross profit margin of land and houses in the Third Quarter 2020 and 2019 were 24.76 % and 25.02 % respectively, increased 0.0027 %.

4. Expenses

4.1 Selling expenses

In the third quarter 2020, the selling expenses at Baht 22.38 million, increased Baht 4.62 million or 26.01 % compared to the same period of 2019 because company and subsidiaries had increased advertisement and promoting expenses. Specific business tax and transfer fee were in accordance to revenue.

4.2 Administrative expenses

In the third quarter 2020, the administrative expenses at Baht 73.01 million, increased Baht 0.25 million or 0.34% compared to the same period of 2019 because of increasing of wage, welfare for employees etc.

5. Other expenses

5.1 Doubtful account

In the third quarter 2020, company and subsidiaries has adjusted the doubtful account amount Baht 0.80 million, increased Baht 0.06 million or 6.98 % compare to the same period of 2019.

6. Financial expenses

Financial expenses consisted of interest of banks and interest of hire purchase in the third quarter 2020 at Baht 25.08 million, decreased Baht 12.83 million or 33.84% compared to the same period of 2019 because company and subsidiaries had paid some principal and interest expense as interest on default debt.

7. Profit for the fiscal period

Company and subsidiaries had profit (loss) in the third quarter 2020 at (Baht 74.18 million), because of loss of operating and reduced sales increase on selling expenses, financial expenses and doubtful account.

(Translation)

Statement of Financial Position

(Unit : Million Baht)

STATEMENT OF FINANCIAL POSITION	Q3/2020	Q3/2019	increase (decrease)	
Consolidate financial statement				
TOTAL SASSET	856.01	916.45	(60.44)	(6.60)
TOTAL LIABILITIES	629.08	615.04	14.04	2.28
TOTAL SHAREHOLDERS' EQUITY	226.93	301.41	(74.48)	(24.71)

As the September 30, 2020, company and subsidiaries had less total assets than the period September, 2020 at Baht 60.44 million or 6.60%, 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 increased Baht 14.04 million or 2.28%, compare to the same period of year 2019. Cause of company had defaulted debt so have increase more interest rate default, account payable, other payable, which for working capital and project. Increase on Deposit receives and other. And now company has the development project 5 Project. Shareholder equity less total Baht 74.48 million or 24.71%, compare to the same period of year 2019.

Please be informed accordingly

Yours sincerely

-Santi Piyatat-

(Mr. Santi Piyatat)

Managing Director

K.C. Property Public Company Limited