



AP (THAILAND) PCL.

NEWS RELEASE

No.15/2021

9th November 2021

Subject: Explanation on -21.8% year-on-year decrease in revenue and -28.9% year-on-year decrease in net profit results

To: Director and Manager
The Stock Exchange of Thailand

AP (Thailand) Plc. would like to report Q3 2021 revenue and net profit of THB 7,152 million and THB 1,031 million, respectively. Comparing to the same period of last year, revenue decreased by -21.8% YoY (from THB 9,150 million) and net profit decreased by -28.9% YoY (from THB 1,451 million) resulting from the followings:

□ In Q3 2021, we recorded revenue from sales at THB 6,916 million (-22.3% YoY) and revenue from services at THB 237 million. Therefore, total revenue reported at THB 7,152 million (-21.8% YoY). Adding up with previous quarters, 9M 2021 total revenue would be THB 24,294 million (+8.7% YoY).

- **Low Rise:** Despite strong presales and a large number of backlog on hand, Q3 2021 low rise transfer slightly slowed down to THB 6,670 million (-4.9% YoY) which was partly impacted by some transfer delay due to the closure of construction worker camp. However, 9M 2021 low rise revenue still grew impressively to THB 22,225 million (+22.5% YoY).

In Q3 2021, we started to transfer 5 low rise projects (3 single-detached house, 1 townhouse, and 1 upcountry) including 1) "Centro Ratchapruek - Suan Phak 3", 2) "Centro Phahol - Vibhavadi 2", 3) "Baan Klang Krung Sathupradit - Rama 3", 4) "District Ramintra - Chatuchote", and 5) "Api Town Chiang Rai". All were launched in the first half of the year with an exception of "Baan Klang Krung Sathupradit - Rama 3" which was launched in September.

- **Condominium:** Q3 2021 AP condo revenue was stable QoQ reporting at THB 246 million but dropped -87.0% YoY. Q3 2021 transfer was derived from 3 existing projects including 1) "Aspire Asoke - Ratchada" (%PTD transfer = 95.9%), 2) "Aspire Sukhumvit - Onnut Phase I" (%PTD transfer = 64.7%), and 3) "Aspire Rattana Tibet II" (%PTD transfer = 96.2%). In contrast, in Q3 of last year, AP condo revenue peaked due to the start of transfer from "Aspire Asoke - Ratchada". In conclusion, 9M 2021 AP condo revenue reported at THB 1,405 million (-59.8% YoY).



- In spite of many challenging factors, overall gross margin in Q3 2021 continued to grow, +60bpt YoY and +40bpt QoQ, to 32.0%. In consequence, 9M 2021 gross margin stayed at a healthy level at 32.1% (+60bpt YoY).
- In Q3 2021, we spent THB 1,430 million (-25.4% YoY) on SG&A spending which accounted for 20.0% (-100bpt YoY) of reported revenue. Accumulated spending for 9M 2021 was well controlled at 17.5% (-300bpt YoY) of revenue. As JV operation was covered by AP, 9M 2021 %SG&A to revenue with 51% portion from JV would be 16.4% (-130bpt YoY).
- Q3 2021 JV revenue (100%) escalated, +56.9% QoQ, to THB 2,665 million and we booked THB 366 million (+102.1% QoQ) of share of profit from investments in JV. For 9M 2021, JV revenue and share of profit from investments in JV reported at THB 6,031 million (-53.0% YoY) and THB 722 million (-53.4% YoY), respectively.
- In conclusion, in the first 9 months of 2021, AP (Thailand) handed over a remarkable performance with a new record high of accumulated revenue and net profit at THB 24,294 million (+8.7% YoY) and THB 3,549 million (+8.1% YoY), respectively. In Q3 2021, total revenue recorded at THB 7,152 million with net profit of THB 1,031 million. At the same time, net debt to equity ratio remained very healthy at 0.56x.

Sincerely yours,

AP (Thailand) Public Company Limited.

/S/

(Mr. Pramart Kwanchuen)

Corporate Secretary