



วันที่ 11 May 2023

Re: Clarification of the operating results of company and its subsidiaries for the financial statement quarter 1/2023

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 financial statement quarter 1/2023 ended March 31, 2023 as follows:-

(Unit: million Baht)

For 3 months, ended of March 31, 2023

Financial Statement	Consolidate financial statement				% Revenue from sales	
	Q1/2023	Q1/2022	increase(decrease)		Q1/2023	Q1/2022
Revenue from sales	45.72	81.65	(35.93)	(44.00%)	100.00%	100.00%
Cost of sales	(30.60)	(54.18)	23.58	(43.52%)	(66.93%)	(66.36%)
Gross Profit	15.12	27.47	(12.35)	(44.96%)	33.07%	33.64%
Other income	1.95	2.11	(0.16)	(7.58%)	4.27%	2.58%
Distribution costs	(3.06)	(5.61)	(2.55)	(45.45%)	(6.69%)	(6.87%)
Administrative expenses	(17.61)	(20.22)	(2.61)	(12.91%)	(38.52%)	(24.76%)
Other expenses						
Reversal of estimated repairing costs of joint venture projects		7.68	(7.68)	(100.00%)	0.00%	0.09
Reversal (expected credit losses)		2.76	(2.76)	(100.00%)	0.00	0.03
Reversal (expected credit losses)		0.92	(0.92)	(100.00%)	0.00	0.01
Reversal of allowance for impairment of non-current assets held for sales	1.38	0.00	1.38	100.00%	0.03	0.00
Finance costs	(7.34)	(7.61)	(0.27)	(3.55%)	(16.05%)	(9.32%)
Tax income (expense)						
Profit (loss) for the period	(9.56)	7.50	(17.06)	(227.47%)	(20.91%)	9.19%
Basis earning per share-Owners of the company	(0.003)	0.005	(0.00)	0.00	-	-
Other comprehensive income						
Actuarial gain (Loss) Employee benefit plans						
Total Other Comprehensive income						
Total Other Comprehensive income	(9.56)	7.50	(17.06)	(227.47%)	(20.91%)	0.092
Attributable to						
Owners of the Company	(9.56)	7.50	(17.06)	(227.47%)		
Non-controlling interests						

1. Operating revenue

In summary, company and subsidiaries had total revenue for three month as at March 31, 2023 and the same period last year Baht 47.67 million, and Baht 83.76 million respectively. The decrease of Baht 36.09 million is equivalent to 43.09%, compared to the same period of the year 2022.

1.1 Revenue from sales of land and houses

In the first Quarter of year 2023 and the same period last year, the sales revenue from land and houses recorded Baht 45.72 million and Baht 81.65 million which increase Baht 35.93 million or 44.00 % compared to the same period of the year 2022. Caused by the growth of revenue from sales of new low-rise projects. During the fourth quarter of 2022, the Company and its subsidiaries were affected by the change in internal organizational structure. As a result, it affected the operation in the first quarter of 2023. Currently, the organizational structure has been completed, while in the fourth quarter of 2021, the Company and its subsidiaries Accelerate the implementation of the business plan, resulting in income from the sale of such real estate.

1.2 Other revenue

In the first Quarter of year 2023 and the same period last year. The other revenue of company in the at Bath 1.95 million and Bath 2.11 million respectively, increasing at Baht 0.16 million or 7.58% compared to the same period of year 2022

2. Cost of sales

In summary, company and subsidiaries had total revenue for three month as at March 31, 2023 and the same period last year, the cost of sales at Baht 30.60 million and Bath 54.18 million , decrease of Baht 23.58 million or 43.52 % compared to the same period of the year 2022, varied to the decreased revenue from sales of land and houses as bellows.

(Unit: Million Baht)

รายการ	Q1/2566	Q1/2565	Increase (Decrease)	
	MB	MB	MB	%
Revenue from sales	45 .72	81.65	(35.93)	(44.00%)
Cost of sales	30 .6	54 .18	(23.58)	(43.52%)
Gross Profit	15.12	27 .47	(12.35)	(44.96%)
% Gross Profit	33 .07 %	33 .64 %	(0.57%)	

3. Gross profit

In summary, company and subsidiaries had total revenue for three month as at March 31, 2023 and the same period last year, the gross profit at Baht 15.12 million and Bath 27.47 million, decrease of Baht 12.35 million or 44.96% compared to the same period of the year 2022, Vary according to the decrease in real estate sales revenue. However, the Company and its subsidiaries still maintained gross profit margin levels close to the same period last year at 33.07% and 33.64% respectively.

4. Expenses

4.1 Distribution Costs

In summary, company and subsidiaries had total revenue for three month as at March 31, 2023 and the same period last year at Baht 3.06 million and Bath 5.61 million, decreased Baht 2.55 million or 45.45 % compared to the same period of the year 2022 Vary according to the decrease in real estate sales revenue

4.2 Administrative expenses

In summary, company and subsidiaries had total revenue for three month as at March 31, 2023, the administrative expenses at Baht 17.61 million and Baht 20.22 million, decreased Baht 2.61 million or 12.91% compared to the same period of the year 2022. However, considering the proportion of administrative expenses for the three month period ended March 31, 2023 and the same period of the previous year Compared to the total income, it was 38.52 %t and 24.76 %, respectively.

4.3 Other Expenses

In summary, company and subsidiaries had total revenue for three month as at March 31, 2023, at Baht 1.38 million and Baht 11.36 million respectively, decreased Baht 9.98 million or 87.85% compared to the same period of the year 2022 The other expenses consisting of .:

- In summary, company and subsidiaries had total revenue for three month have reversal of allowance for impairment of non-current assets held for sale in the amount of Baht 1.38 million arising from the sale of the stock auction to secure default liabilities. There are 3 plots of land bidding and the price has been paid and the ownership has been transferred in the first quarter of 2023.
- In summary, company and subsidiaries had total revenue for three month have eversal of estimated repair costs for joint venture projects amounting to Baht 7.68 million and the reversal of expected credit losses amounting to Baht 2.76 million according to the memorandum stating that each party has no debt to pay and has no duty or obligation. any of each other And there was a reversal of allowance for impairment of assets in the amount of Baht 0.92 million

according to the memorandum of land swap agreement. with obligations from guarantees that the joint venture company owes with the Company

5. Financial expenses

In summary, company and subsidiaries had total revenue for three month as at March 31 and the same period last year 2023, at Baht 1.38 million and Baht 11.36 million respectively, decreased Baht 9.98 million or 87.819% compared to the same period of the year 2022. Cause by three month as at March 31, 2023 The company and subsidiaries The Company and its subsidiaries have repaid short-term loans from other persons. and interest paid under the hire-purchase contract However, financial costs – a large amount of interest expenses are interest on defaulted liabilities.

6. Profit (Loss) for the year

Company and subsidiaries had profit (loss) for three month at March 31, 2023 Baht (9.56) million compared to the same period of the year 2022 had profit loss Baht 7.5 million decrease Bath 17.06 million or 227.47% The consisting of :

- Because the profit from the reversal of the joint venture project repair estimate totaled 9.98 for the three months at March 31, 2022. cancellation of anticipated credit losses larger than the allowance for impairment of non-current assets held for sale, reversal of allowance for asset impairment

- For the three at March 31, 2022, there was a profit before other expenses of Bath 3.75 million , while the three month period at March 31, 2023 was a loss before other expenses of Bath (3.51) million baht, therefore submitting Result for three months period at March 31, 2022, there was a profit that was greater than Bath 7.26 million caused by administrative expenses that had a lower proportion of sales revenue. for the three-month period ended March 31, 2023 at 24.76 percent and 38.52 percent, respectively.

Statement of Financial Position

(Unit : Million Baht)

STATEMENT OF FINANCIAL POSITION	Dec 31, 2022	Dec31, 2021	increase (decrease)	
Consolidate financial statemen				
TOTAL ASSET	969.48	1,009.51	(40.03)	(3.96%)
TOTAL LIABILITIES	654.29	606.83	47.45	7.82%
TOTAL SHAREHOLDERS' EQUITY	315.19	402.67	(87.48)	(21.72%)

As of March 31, 2023 and December 31, 2022, the Company and its subsidiaries had total assets increased by 2.41 million baht due to an increase in investment properties and leased building

improvements and equipment totaling Bath 23.01 million . Decrease in current assets of Baht 20.53 million because the Company and its subsidiaries are in the process of developing real estate development projects for investment.

As of March 31, 2023 and December 31, 2022, the Company and its subsidiaries had an increase in current liabilities in the amount of 12.05 million baht, a significant amount due to an increase in default interest in the amount of 7.33 million baht, an increase in payment payable. trade and other current payables and an increase in the portion due within one year – lease liabilities amounting to 2.98 million baht and 1.38 million baht, respectively, which are transactions arising from the development of real estate projects for investment that the Company and its subsidiaries operate.

As of March 31, 2023 and December 31, 2022, the Company and its subsidiaries had an increase in current liabilities in the amount of Baht 12.05 million, a significant amount due to an increase in default interest in the amount of Baht 7.33 million, an increase in payment payable. trade and other current payables and an increase in the portion due within one year – lease liabilities amounting to Baht 2.98 million and Baht 1.38 million, respectively, which are transactions arising from the development of real estate projects for investment that the Company and its subsidiaries operate.

As of March 31, 2023, total shareholders' equity decreased in the amount of baht 9.55 million, a decrease of 3.03 % compared to December 31, 2022 due to the three month period. at March 31, 2023 with a net loss of baht 9.55 million.

Process of the lawsuit

On October 19, 2022, the Company has filed a civil lawsuit. Black Case No. 5232/2022 against a financial institution and 24 persons jointly committed a violation to the Securities and Exchange Act, by using fraudulent tactics to issue bills of exchange without authority and unlawful, use of fraudulent tactics to take the Company's assets to mortgage unlawfully, and issue letters of debt acceptance even though the debts are unfounded, which is an infringement against the Company. As a result, the Company suffered damages, became debtor in accordance with the judgment of the Civil Court and had to lose property from enforce the mortgage all the defendants were required to jointly pay indemnity to the Company, total Baht 1,431.65 million. Currently, the case is pending in the Court of First Instance, where 7 of 24 above-mentioned defendants, former executives and related persons, are in the process of the Company's lodging a complaint with the Director-General of the Department of Special Investigation, to proceed the criminal prosecution for participation in defraud, fraudulent understandings from the sale of bills of exchange, and consent to record the account incorrectly. The court scheduled settlement of issues on August 8, 2023

Please to be informed.

Yours sincerely,

- Amornsak wisitwuttipong -

(Mr.Amornsak Wisitwuttipong)

Director and Deputy Managing Director