



August,11 2023

Re: Clarification of the operating results of company and its subsidiaries for the financial statement quarter 2/2023

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 2/2023 ended June 30, 2023 as follows:-

The operating results of company and its subsidiaries for the three-month period of quarter 2/2023

(Unit: million Baht)

Statements of Comprehensive Income	Consolidated financial statements for the three month periods ended June 30, 2023				% Revenue from sales	
	2023	2022	increase(decrease)		2023	2022
Revenue from sales	69.23	41.19	28.04	68.07%	100.00%	100.00%
Cost of sales	(54.39)	(29.92)	24.47	81.78%	(78.56%)	(72.64%)
Gross Profit	14.84	11.27	3.57	31.68%	21.44%	27.36%
Other income	5.52	1.45	4.07	280.69%	7.97%	3.52%
Distribution costs	(4.71)	(3.88)	0.83	21.39%	(6.80%)	(9.42%)
Administrative expenses	(20.35)	(20.67)	(0.32)	(1.55%)	(29.39%)	(50.18%)
Other expenses						
Reverse loss on impairment of assets		-				
Doubtful accounts		(0.20)	0.20	(100.00%)		-0.49%
Finance costs						
Tax income (expenses)						
Finance costs	(7.42)	(7.62)	(0.20)	(2.62%)	(10.72%)	(18.50%)
Tax income (expenses)						
Profit (loss) for the period	(12.12)	(19.65)	(7.53)	(38.32%)	(17.51%)	(47.71%)
Other comprehensive income						
Total Other Comprehensive income	(12.12)	(19.65)	(7.53)	(38.32%)	(17.51%)	(47.71%)
Attributable to						
Owners of the Company	(12.12)	(19.65)	(7.53)	(38.32%)		
Non-controlling interests						
Basis earning per share-Owners of the company	(0.003)	(0.012)	(0.01)	-	-	-

1. Operating revenue

In summary, company and subsidiaries had total revenue for three month as June 30, 2023 and the same period of the year 2022 Baht 69.23 million, and Baht 41.19 million respectively. The Operating revenue increase of Baht 28.04 million is equivalent to 68.07%, compared to the same period of the last year.

The selling price of each project has been reduced due to the need for cash flow in the business. because in the three month period ended June 30, 2023. The company and its subsidiaries have sold a lot of houses in some projects with price adjustments. by selling more houses than the same period of the last year

2. Cost of sales

In summary, company and subsidiaries had total revenue for three month as at June 30, 2023 and the same period last year, the cost of sales at Baht 54.39 million and Bath 29.92 million , Cost of Sales increase of Baht 24.47 million or 81.78 % compared to the same period of the last year as bellows.

(Unit: Million Baht)

Transaction	April - June		Increase (Decrease)	
	2023	2022	MB	%
Revenue from sales	69.23	41.19	28.04	68.07%
Cost of sales	54.39	29.92	24.47	81.78%
Gross Profit	14.84	11.27	3.57	31.68%
% Gross Profit	21.44%	27.36%		

3. Gross profit

In summary, company and subsidiaries had total revenue for three month as at June 30, 2023 and the same period last year, the gross profit at Baht 14.84 million and Bath 11.27 million, increase of Baht 3.57 million or 31.68% compared to the same period of the year 2022 by the gross profit margin decreased of 5.92 % compared to the same period last year. due to the reduction in the selling price above

4. Other income

In summary, company and subsidiaries had total revenue for three month as at June 30, 2023 and the same period last year, the gross profit at Baht 5.52 million and Bath 1.45 million, increase of Baht 4.07 million or 280.69% compared to the same period of the year 2022. The increase in other income was from the collection of utilities under the compromise agreement.

5. Expenses

5.1 Distribution Costs

In summary, company and subsidiaries had total revenue for three month as at June 30, 2023 and the same period last year at Baht 4.71 million and Bath 3.88 million, increased Baht 0.83 million or 21.39 % compared to the same period of the year 2022. Although The Operating revenue is higher than the same period last year 68.07%. Due to the distribution costs of some items that vary according to the decrease in revenue from real estate sales .Vary according to the decrease in real estate sales revenue

5.2 Administrative expenses

In summary, company and subsidiaries had total revenue for three month as at June 30, 2023, the administrative expenses at Baht 20.35 million and Baht 20.67 million, decreased Baht 0.32 million or 1.55% compared to the same period of the year 2022. However, considering the proportion of administrative expenses for the three month period ended June 30, 2023 and the same period of the last year Compared to the sales income, it was 29.39 %t and 50.189 %, respectively. This reflected a decrease in some administrative expenses, such as salary and remuneration expenses.

5.3 Other Expenses

In summary, company and subsidiaries had total revenue for three month as at June 30, 2023, at Baht 0.20 million It's recording of expected credit loss in employee receivables. Which later has been partially reversal.

6. Financial expenses

In summary, company and subsidiaries had total revenue for three month as at June 30 and the same period last year 2023, at Baht 7.42 million and Baht 7.62 million respectively, decreased Baht 0.20 million or 2.62% compared to the same period of the year 2022. Cause by three month as at June 30, 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.

7. Profit (Loss) for the period

Company and subsidiaries had profit (loss) for three month at June 30, 2023 Baht (12.12) million compared to the same period of the year 2022 had profit loss Baht (19.65) million (loss) decrease Bath 7.53 million or 38.32% .Cause by The three month at June 30, 2023 The Company and its subsidiaries have other income from collecting common fees under the compromise agreement as described in other income above.

Statement of Financial Position

(Unit : Million Baht)

STATEMENTS OF FINANCIAL POSITION Consolidated financial statements	As at June	As at Dec	increase (decrease)	
	30,2023	31,2022		
TOTAL CURRENT ASSETS	564.48	636.20	(71.72)	(11.27%)
TOTAL ASSETS	972.23	969.48	2.75	0.28%
TOTA CURRENT LIABILITIES	591.09	566.46	24.63	4.35%
TOTAL LIABILITIES	678.71	654.29	24.42	3.73%
TOTAL SHAREHOLDERS' EQUITY	293.52	315.19	(21.67)	(6.88%)

As of June 30, 2023 and December 31, 2022, the Company and its subsidiaries had total assets increased by 2.75 million baht or 0.28% due to an increase in investment properties and leased building improvements and equipment totaling Bath 73.76 million because the Company and its subsidiaries are in the process of developing real estate development projects for investment and a increase in current assets of Baht 71.72 million because the leased building improvements and equipment and a decrease in the cost of real estate development projects for sale.

As of June 30, 2023 and December 31, 2022, the Company and its subsidiaries had an increase in current liabilities in the amount of Bath 24.63 million or 4.35%, a significant amount due to an increase in default interest in the amount of Baht 14.75 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 Bath 4.86 million and Baht 1.42 million, respectively, which are transactions arising from the development of real estate projects for investment that the Company and its subsidiaries operate.

As of June 30, 2023, total shareholders' equity decreased in the amount of baht 21.67 million, a decrease of 6.88 % compared to December 31, 2022 due to the three month period. at June 30, 2023 with a net loss of baht 21.67 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.

Please to be informed.

Yours sincerely,

- Amornsak wisitwuttipong -

(Mr.Amornsak Wisitwuttipong)

Director, Deputy Managing Director
and the Chairman of the Executive Committee