



**AP (THAILAND) PCL.**

**NEWS RELEASE**

**No.17/2020**

11<sup>th</sup> August 2020

**Subject:** Explanation on +63.6% year-on-year increase in revenue and +149.3% year-on-year increase in net profit results

To: Director and Manager  
The Stock Exchange of Thailand

AP (Thailand) Plc. would like to report Q2 2020 revenue and net profit of THB 7,792 million and THB 1,215 million, respectively. Comparing to the same period of last year, revenue increased by +63.6% YoY (from THB 4,762 million) and net profit increased by +149.3% YoY (from THB 487 million) resulting from the followings:

□ Q2 2020 revenue delivered at THB 7,792 million (+44.3% QoQ and +63.6% YoY) breaking down into property and service revenue of THB 7,583 million (+67.4% YoY) and THB 209 million (-9.9% YoY), respectively. Hence, YTD revenue managed to grow +5.1% YoY reporting at THB 13,191 million.

- **Low Rise:** We recognized the highest-ever quarterly low rise revenue in Q2 2020 thanks to solid presales momentum and good backlog quality. Roughly, the revenue was equally distributed between townhouse and single-detached house with total value of THB 6,732 million (+107.9% YoY) making an impressive YTD revenue of THB 11,135 million (+20.7% YoY).

There were 10 projects starting to transfer in Q2 2020. All were launched in 1H 2020 comprising of 7 single-detached house and 3 townhouse with project names as follows: 1) "The City Rama 9 - Krungthep Kreetha", 2) "The City Suksawat 64", 3) "Centro Saphan Mahachasadabodin 2", 4) "The City Sathorn - Kalpapruet", 5) "Centro Sathorn - Kalpapruet", 6) "The City Ramintra 2", 7) "Centro Prachauthit 90", 8) "Baan Klang Muang The Edition Bangna - Wongwaen (Business District)", 9) "Pleno Rama 9 - Krungthep Kreetha 2", and 10) "Pleno Ramintra - Bangchan Station".

- **Condominium:** Without any new building due to complete, Q2 2020 condo revenue entirely came from existing projects. Still, we could accelerate transfer of several ready-to-move-in projects. Thus, Q2 2020 condo revenue was able to grow +12.1% QoQ to THB 851 million (-13.6% YoY) with YTD revenue of THB 1,610 million (-35.7% YoY).



YoY decrease in AP condo revenue was partly resulted from different level of available-for-sale condos whereby the beginning value of 2019 was almost twice larger than the beginning value of 2020.

Around 70% of AP condo revenue came from 3 projects including 1) “Aspire Sathorn - Ratchaphreuk” (%PTD transfer = 72.2%), 2) “Aspire Erawan Phase 1” (%PTD transfer = 95.1%), and 3) “Aspire Ngamwongwan” (%PTD transfer = 99.0%). In addition, there was a clear progress from other existing condo projects. Firstly, we had completed transfer of “Aspire Udonthani” and “Aspire Sathorn - Taksin Phase 3”. Also, “Coo Phitsanulok” was sold out and transferred by 98.9% at the end of Q2 and the remaining units had been completely transferred in July.

- Q2 2020 gross margin reported at 29.6% (-370bpt YoY). Downturn in gross margin was largely due to promotional campaign given during the quarter. However, we could maintain level of YTD gross margin at 31.6% (-140bpt YoY).
- Despite improved market condition, we still maintained a tight control on SG&A spending. Therefore, Q2 2020 SG&A was booked at THB 1,516 million or 19.5% (-440bpt YoY) of reported revenue. Since JV operation is covered by AP, Q2 2020 % SG&A to revenue with 51% JV would be 16.4% (-580bpt YoY).
- Q2 2020 JV revenue (100%) recorded an all-time high at THB 5,347 million (+290.5% YoY). In the same manner, we earned the highest-ever “Share of profit from investments in joint ventures” at THB 664 million (+297.3% YoY).
- Strong rebound in Q2 2020, net profit delivered at THB 1,215 million (+96.7% QoQ and +149.3% YoY) with high net margin of 15.6% (+540bpt YoY). YTD net profit recorded at THB 1,832 million (+17.1% YoY).

Sincerely yours,  
AP (Thailand) Public Company Limited.  
/S/  
(Mr. Pramart Kwanchuen)  
Corporate Secretary