

RP-AC 001/2016

29th February 2016

Subject Clarification of Year 2015 Operating Results

To Directors and Managers of The Stock Exchange of Thailand

Richy Place 2002 Public Company Limited (RICHY) would like to clarify the company operating results for the year ended 31st December 2015 as follows:

Comparison of Profits and Losses of year 2015 and 2014

Unit : million baht

| Profit and Loss Statement | 31 st December 2015 | | 31 st December 2014 | | In(De)crease | % |
|---|--------------------------------|---------------|--------------------------------|---------------|-----------------|----------------|
| | million baht | % | million baht | % | | |
| Revenue from sale of real estate | 507.48 | 98.75 | 1,228.66 | 99.14 | (721.18) | (58.70) |
| Other income | 6.43 | 1.25 | 10.71 | 0.87 | (4.28) | (58.16) |
| Total income | 513.91 | 100.00 | 1,239.37 | 100.00 | (725.46) | (58.53) |
| Cost of real estate sales | 337.47 | 66.50 | 761.98 | 62.02 | (424.50) | (55.71) |
| Gross profit | 170.01 | 33.08 | 466.68 | 37.65 | (296.67) | (63.57) |
| Selling and Administrative expenses | 124.04 | 24.14 | 167.03 | 13.48 | (42.99) | (25.74) |
| Selling expenses | 72.70 | 14.15 | 102.71 | 8.29 | (30.02) | (29.22) |
| Administrative expenses | 51.34 | 9.99 | 64.32 | 5.19 | (12.97) | (20.17) |
| Profit before finance costs and income tax expense | 52.40 | 10.20 | 310.36 | 25.04 | (257.96) | (83.12) |
| Finance costs | 4.38 | 0.85 | 8.26 | 0.67 | (3.87) | (46.89) |
| Profit before income tax expense | 48.01 | 9.34 | 302.11 | 24.38 | (254.10) | (84.11) |
| Income tax expense | 8.41 | 1.64 | 57.05 | 4.60 | (48.65) | (85.26) |
| Profit for the year | 39.60 | 7.71 | 245.05 | 19.77 | (205.45) | (83.84) |

Remark: Proportions in profit and loss statement are presented in percentages to total revenues, excluding Cost of real estate sales that is presented in a percentage to Revenue from real estate sales.

Total Revenue

For the year 2015, the company generated the revenue of 513.91 million baht, which decreased by 725.46 million baht or 58.53% reduction when compare to the previous year. The main factor was due to the deduction of real estate sales of 721.18 million baht, or decreased by 58.70% compare to last year.

Revenue from sale of real estate by project:

Unit : million baht

| Project | Revenue | | Increase (Decrease) | % |
|---|---------------|-----------------|------------------------|----------------|
| | 31-Dec-15 | 31-Dec-14 | | |
| ■ Condominium | 441.85 | 1,115.94 | (674.09) | (60.41) |
| - LE RICH @Rama 3 | 11.86 | 25.30 | (13.44) | (53.12) |
| - LE RICH @Ratchada | - | 27.49 | (27.49) | (100.00) |
| - LE RICH @Aree | - | 16.14 | (16.14) | (100.00) |
| - Rich Park @Bangson Station | 49.26 | 88.39 | (39.13) | (44.27) |
| - Rich Park @Toupon Station | 305.58 | 958.62 | (653.04) | (68.12) |
| - Rich Park @CHAOPHRAYA | 75.15 | - | 75.15 | 100.00 |
| ■ Townhomes | 65.63 | 112.72 | (47.09) | 100 |
| - The Rich Biz Home @Sukhumvit 105 | 58.34 | 112.72 | (54.38) | (48.24) |
| - The Rich Ville @ Ratchapruet | 7.29 | - | 7.29 | 100.00 |
| Revenue from sale of real estate | 507.48 | 1,228.66 | (721.18) | (58.70) |

In year 2015, the revenues from real estate sales was 507.48 million baht, down by 721.18 million baht, or equivalent to 58.70% reduction compared to year 2014. This was due to two projects sold out, namely, Le Rich @ Aree Station and Le Rich@ Ratchada. Along with the delay of Rich Park @ Chaophraya project completion which directly affected the decline in 2015 revenue.

Cost of sales of real estate

In year 2015, the cost of sales of the company was 337.47 million baht which was 65.50% of its revenue from real estate sales. Whereas the cost of real estate sales last year was 761.98 million baht or 61.48% of the revenue. The lower cost of sales percentage in year 2014 than in 2015 was due to the obtained of high profit margin in commercial real estate sale price in 2014.

Selling and Administrative costs.

In 2015, the total selling and administrative costs was 124.04 million baht, down from the previous year of 166.99 million baht or decreased by 25.74%. The selling expenses in 2015 was 72.70 million baht, down by 30.02 million baht or 29.22% reduction from last year. This was mainly due to the reduction in taxes, transfer fees and depreciation of sale offices which were lower than previous year. In addition, the administrative expenses were 51.34 million baht, down by 12.97 million baht or decreased by 20.17% from last year due to lower consulting fees of 4.30 million baht, as well as more stringent budget control.

Cost of Capital

For the year 2015, the Company had its cost of capital of 4.38 million baht, representing 0.85% of the total income. This amount was decreased by 3.87 million baht or decreased by 46.89% from last year due to the issuing of bonds and debentures which had lower interest rate. Along with the recognition of cost of capital (interest) for uncompleted projects were counted as part of a construction cost, hence the cost of capital was significantly lower than last year.

Net profit

The company generated the net income of 39.60 million baht in year 2015, which equivalent to 7.71% of the total income. When compare the last year result, the net profit was declined by 205.45 million baht, or decrease by 83.84% as a consequence of Thailand economic slowdown.

Please be informed accordingly.

Sincerely yours,

(Mrs. Kantalak Chantipdisya)

Chief Financial Officer