



Our ref. KWG 7/2017

21 February 2017

The President

The Stock Exchange of Thailand

King Wai Group (Thailand)  
Public Company Limited  
30<sup>th</sup> Floor, Jewellery Centre Bldg.,  
138/108 Nares Road, Sipsaya,  
Bangrak, Bangkok 10500, Thailand  
Tel: (662) 237-1999  
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บริษัท ดิง ไว กรุ๊ป (ประเทศไทย)  
จำกัด (มหาชน)  
ชั้น 30 อาคารจิวเวลเลอร์ เซ็นเตอร์  
138/108 ถนนนเรศ แขวงสี่พระยา  
เขตบางรัก กรุงเทพมหานคร 10500  
โทร: 02-237-1999  
โทรสาร: 02-237-2666

**Re: Explanation of difference in operating results for the year ended 31 December 2016**

Dear Sir,

The audited consolidated financial statements of King Wai Group (Thailand) Public Company Limited for the year ended 31 December 2016 recorded a 244.3% increase from loss to profit for the year to Baht 125.8m, and a 6.9% increase in turnover to Baht 328.4m, as compared to the same period last year.

**For the year ended 31 December (Unit: Million Baht)**

	<b>2016</b>	<b>2015</b>	<b>Percentage changed</b>
<b>Turnover</b>	328.4	307.3	6.9%
<b>Gross Profit</b>	98.9	77.4	27.8%
<b>Profit (loss) before finance cost and tax</b>	225.9	(38.4)	688.3%
<b>Profit (loss) for the year</b>	125.8	(87.2)	244.3%
<b>Profit (loss) attribute to equity holders of the Company</b>	60.8	(67.3)	190.3%

The performance improvements are mainly due to the following:

- (i) higher unrealized gain on investment properties 224.2m, increase to Baht 236.2m;
- (ii) higher revenue of Baht 19.5m from sales of properties, increase to Baht 287.6m;
- (iii) higher revenue of Baht 1.7m from rental and services, increase to Baht 40.8m;
- (iv) higher exchange gain of Baht 19.7m from the Singapore dollar currency loan;
- (v) higher gross profit from sales of properties of Baht 20.1m;

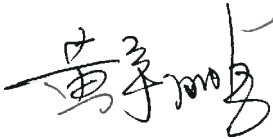
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KING WAI GROUP

- (vi) higher gross profit from rental and services income of Baht 1.4m;
- (vii) lower administrative expenses of Baht 2.1m due to cost saving strategy;
- (viii) higher selling expenses of Baht 2.4m as a result of increase in promotion cost; and
- (ix) higher finance cost of Baht 6.3m.

Strategies to boost the sales and leasing of properties, reduce the costs and do strategic acquisitions are being implemented by the management.

Yours faithfully,



Mr. Yupeng Huang  
Chief Executive Officer



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