



NO. IR2018.00347

14 August 2018

Subject Explanation of operating result period of Q2/2018

Attn : President, The Stock Exchange of Thailand

SENA Development Public Company Limited and its subsidiaries would like to clarify our operating as of June 30, 2018 as follows:

### Net Profit

For the second quarter of 2018, the Company and its subsidiaries' net profit was THB 225.2 million or 13.0% of total revenue. Increased THB 137.8 million or 157.7% when compared to Q2/2017. Mainly came from the increase of Condominium sales and the increase of management service fee revenue resulted in the 6 month-Net profit at THB 389.8 million or 13.8% of total revenue. Increased by THB 231.7 million or 146.6% when compared to the same period last year which had the net profit at THB 158.1 million.

### Revenue

Total Revenue for 3 months and 6 months in Q2/2018 and Q2/2017 were shown in below table:

#### 6 months

| Business                             | 2018         |        | 2017         |        | Increase/<br>(-)decrease |        |
|--------------------------------------|--------------|--------|--------------|--------|--------------------------|--------|
|                                      | Million Baht | %      | Million Baht | %      | Million Baht             | %      |
| Revenue from Sales                   |              |        |              |        |                          |        |
| Housing/Townhome/                    | 558.8        | 20.1%  | 984.5        | 60.2%  | -425.7                   | -43.2% |
| Commercial building                  | 1,934.6      | 69.6%  | 457.2        | 27.9%  | 1,477.4                  | 323.2% |
| Condominium                          | 2,493.4      | 89.7%  | 1,441.7      | 88.1%  | 1,051.7                  | 72.9%  |
| Rental and Service Revenue           | 278.8        | 10.0%  | 154.7        | 9.4%   | 124.1                    | 80.2%  |
| Revenue from Solar Business          | 8.4          | 0.3%   | 40.3         | 2.5%   | -31.9                    | -79.2% |
| Total Revenue from Sales and service | 2,780.6      | 100.0% | 1,636.7      | 100.0% | 1,143.9                  | 69.9%  |
| Other Revenue                        | 41.8         |        | 33.8         |        | 8.0                      | 23.7%  |
| Total Revenue                        | 2,822.4      |        | 1,670.5      |        | 1,151.9                  | 69.0%  |

#### 3 months

| Business                             | 2018         |        | 2017         |        | Increase/<br>(-)decrease |        |
|--------------------------------------|--------------|--------|--------------|--------|--------------------------|--------|
|                                      | Million Baht | %      | Million Baht | %      | Million Baht             | %      |
| Revenue from Sales                   |              |        |              |        |                          |        |
| Housing/Townhome/                    | 425.2        | 24.8%  | 816.9        | 69.8%  | -391.7                   | -47.9% |
| Commercial building                  | 1,171.7      | 68.4%  | 255.4        | 21.8%  | 916.3                    | 358.8% |
| Condominium                          | 1,596.9      | 93.2%  | 1,072.3      | 91.6%  | 524.6                    | 48.9%  |
| Rental and Service Revenue           | 113.5        | 6.6%   | 84.1         | 7.2%   | 29.4                     | 35.0%  |
| Revenue from Solar Business          | 3.1          | 0.2%   | 14.0         | 1.2%   | -10.9                    | -77.9% |
| Total Revenue from Sales and service | 1,713.5      | 100.0% | 1,170.4      | 100.0% | 543.1                    | 46.4%  |
| Other Revenue                        | 20.5         |        | 12.3         |        | 8.2                      | 66.7%  |
| Total Revenue                        | 1,734.0      |        | 1,182.7      |        | 551.3                    | 46.6%  |

Total Revenue for 3 months 2018 was THB 1,734.0 million. Increased by THB 551.3 million or 46.6% when compared to the same period last year at THB 1,182.7 million resulted in the total revenue for 6 months 2018 equals to THB 2,822.4 million, increased by THB 1,151.9 million or 69.0% when compared to the same period last year. Details are as follows;

### **Revenue from Real estate sales**

The Sales revenue from Condominium Projects as of Q2/2018 equals to THB 1,596.9 million, increased by THB 524.6 million or 48.9% when compared to the same period last year at THB 1,072.3 million. Mainly came from the increase of recognized revenue regarding the unit ownership transfer from the "Niche" brand projects which are "The Niche ID Bangkae" "The Niche Rama II" phase 2, "The Niche ID Sukhumvit 113", "Niche Pride Thonglor-Petchaburi" and "The Niche Mono Sukhumvit 50". And from "The Kith" brand which are "The Kith Lite Bangkradee" and "The Kith plus Sukhumvit 113", these recognized revenue resulted in the 6-month revenue from Real estate sales in 2018 is at THB 2,493.4 million, increased by THB 1,051.7 million or 72.9% when compared to Q2/2017 which had its revenue from Real estate sales at THB 1,441.7 million.

Furthermore, the company still continuously recognized revenue from the high valued project since 2013 in "SENA Park Grand Ramintra", "SENA Park Ville Wongwan-Ramintra", "SENA ville Borommaratchachonnani-Sai 5" and "SENA Town Ramindra".

### **Revenue Rental and Services**

The total revenue from rental and services as of Q2/2018 is THB 113.5 million consists of revenue from apartment for rent and services THB 3.4 million, revenue from Juristic person management THB 8.6 million, revenue from warehouse THB 6.7 million, revenue from SENA fest (community mall) THB 19.3 million, revenue from golf course THB 18.3 million and revenue from Project management THB 57.2 million, increased THB 29.4 million or 35%, when compared to Q2/2017, with its revenue from rental and service at THB 84.1 million.

The increased revenue was mainly came from the Project Management revenue resulted in the 6-months revenue from rental and services at THB 278.8 million, increased THB 124.1 million or equivalent to 80.2% when compared to the same period last year, with its revenue from rental and service at THB 154.7 million.

### **Revenue from Solar**

The company received THB 3.1 million as revenue from solar business in Q2/2018. Decreased by THB 10.9 million or 77.9%, when compared to the same quarter last year resulted in the 6-months revenue from solar business at THB 8.4 million, decreased THB 31.9 million or 79.2% when compared to the same period last year, with its revenue from solar business at THB 40.3 million. However, the Company still gain the share of profit of associates in the invested Solar project for the first 6 months of 2018 in the amount of THB 31.5 million.

### **Cost of Sales**

In the second quarter of 2018, consolidated total cost was THB 967.3 million or 56.5% of total revenue which consists of cost of projects sales in the amount of THB 904.3 million or 56.6% of total sales revenue, cost of Service apartment for rent and services at THB 2.7 million or 81.0% of total revenue from apartment for rent and services, cost of SENA fest service and leasing at THB 9.3 million or 48.4% of total its revenue, cost of Golf course service at THB 15.0 million or 81.8% of its revenue and cost of Project management at THB 22.2 million or 38.7% of total Project management service revenue.

However, the average total cost ratio in Q2/2018 was at 56.5%, decreased by 70% when compared to Q2/2017 and the average cost ratio of the first 6 months of 2018 equals to 54.9% decreased by 66.3% when compared to the first 6 months of 2017.

## **Selling and Administrative Expenses**

In the second quarter of 2018, consolidated expense was THB 343.2 million, consists of selling expense and administrative expense in the amount of THB 189.7 and 153.5 million or 10.9% and 8.9% of total revenue respectively.

When compared to Q2/2017, selling expense and administrative expense had increased THB 165.1 million or equivalent to 92.7%, consistent with the increasing of revenue. Mainly came from the increase of Transfer fee and the Specific business tax in Ownership transfer specifically in this quarter, the increase of projects' public relation, marketing and advertisement. And the increase of personnel expense for business expansion resulted in the Selling and Administrative Expenses in the first 6 months of 2018 equals to THB 592.2 million, decreased by THB 278.9 million or 89.0%

## **Financial Position**

### **Assets**

As of June 30, 2018 total assets of the company and its subsidiaries was at THB 11,920.7 million, increased by THB 1,188.3 million from December 31, 2017 which was at THB 10,732.5 million.

The major reason was from the short term loan at THB 1,297.6 million resulted in the current asset as of 30 June 2018 was at THB 8,659.8 million, increased by THB 689.7 million when compared to 31 December 2017.

On the contrary, the total non-current asset as of June 30, 2018 was at THB 3,260.9 million, increased by THB 498.6 million compared to December 31, 2017. Due to the operating result in the Company's other investment in the amount of THB 337.3 million.

### **Liabilities**

Total liabilities of the Company and its subsidiaries as of June 30, 2018 was THB 6,755.5 million, which consist of current liabilities in the amount of THB 2,786.9 million, and non-current liabilities in the amount of THB 3,968.6 million respectively. Current liabilities decreased by THB 698.3 million, mainly from repayment to debenture in the amount of THB 800.0 million and repayment of land loan in the amount of THB 75.0 million.

While non-current liabilities increased by THB 1,499.5 million when compared to December 31, 2017 regarding the increase of the issue of long-term loan and issuing debentures in the amount of THB 1,500.0 million. And reimbursement of Account payable in the amount of THB 1.4 million.

Nevertheless, the Debt to Equity ratio was 1.32 which the company was able to maintain their D:E ratio at 1.5:1.

### **Shareholders' Equity**

Shareholders' Equity as of June 30, 2018 was at THB 5,104.0 million, increased by THB 379.1 million When compared to December 31, 2017 which was THB 4,724.9 million. Due to the increase of paid up capital at THB 202.6 million and net profit at THB 175.4 million.

Yours Sincerely,

(Mrs Weraporn Chaisiriyasawat)  
Deputy Managing Director and Company Secretary  
Sena Development Public Company Limited