



NO.IR2016.00252

November 14, 2016

Subject : The explanation of operating results for the 3<sup>rd</sup> quarter of 2016

Attn : President

The Stock Exchange of Thailand

SENA Development Public Company Limited ("the company") and its subsidiaries would like to submit herewith the explanation of the operating results for the 3rd quarter of 2016 ended September 30, 2016 as follows;

#### Net Profit

In the third quarter of 2016, consolidated net profit was THB 104.4 million; net profit margin was 15.1 %, which has increased by THB 44.1 million or 73% when compared to the third quarter of 2015. Since, the condominium projects, housing, townhome, commercial building and solar business have been increasingly transferred. Therefore, net profit accumulated nine months ended September 30, 2016 was THB 660.0 million or equivalent to 20.4% of total revenue. Increased by THB 488.9 million or 285.6% when compared to the same period last year that net profit was THB 171.1 million.

#### Revenue

Total Revenue for the 3<sup>rd</sup> quarter operation and 9<sup>th</sup> month period in comparison between 2016 and 2015, as shown in tables below;

Unit: (Million Baht)

For 9 months

Business	2016		2015		Increase/(-)decrease	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from the sales						
Of Housing/Townhome/Commercial building	393.7	12.2%	347.8	23.2%	45.9	13.2%
Of Condominium	2,606.4	80.6%	952.3	63.5%	1,654.0	173.7%
	3,000.0	92.8%	1,300.1	86.7%	1,699.9	130.8%
Rental and Service Revenue	178.7	5.5%	165.2	11.0%	13.5	8.2%
Revenue from Solar Business	18.9	0.6%	2.5	0.2%	16.4	664.8%
<b>Total Revenue from Sales and service</b>	<b>3,197.6</b>	<b>98.9%</b>	<b>1,467.8</b>	<b>97.9%</b>	<b>1,729.9</b>	<b>117.9%</b>
Other Revenue	36.6	1.1%	31.0	2.1%	5.5	17.7%
<b>Total Revenue</b>	<b>3,234.2</b>	<b>100.0%</b>	<b>1,498.8</b>	<b>100.0%</b>	<b>1,735.4</b>	<b>115.8%</b>

For 3 months

Business	2016		2015		Increase/(-)decrease	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from the sales						
Of Housing/Townhome/Commercial building	34.2	4.9%	154.6	31.3%	-120.5	-77.9%
Of Condominium	584.1	84.3%	274.1	55.4%	310.0	113.1%
	618.3	89.3%	428.7	86.7%	189.6	44.2%
Rental and Service Revenues	56.2	8.1%	54.4	11.0%	1.8	3.3%
Revenue from Solar Business	1.9	0.3%	2.5	0.5%	-0.6	-24.3%
<b>Total Revenue from Sales and service</b>	<b>676.4</b>	<b>97.7%</b>	<b>485.6</b>	<b>98.2%</b>	<b>190.8</b>	<b>39.3%</b>
Other Revenue	16.2	2.3%	8.9	1.8%	7.4	83.0%
<b>Total Revenue</b>	<b>692.6</b>	<b>100.0%</b>	<b>494.5</b>	<b>100.0%</b>	<b>198.1</b>	<b>40.1%</b>

In the third quarter of 2016, consolidated revenue was THB 692.6 million. When compared to the third quarter of 2015, total revenue has increased by THB 198.1 million or equivalent to 40.1%. So, total revenue accumulated nine months was THB 3,234.2 million, that has increased by 1,735.4 million or 115.8% when compared to the same period previous year, which have details as follows;

#### Revenue from Sales (Of Housing, Townhome, Commercial building and Condominium)

In the third quarter of 2016, revenue from sales was THB 618.3 million. When compared to the third quarter of 2016, revenue from sales has increased by THB 189.6 million or 44.2%. The key factor is the recognition of revenue in condominium and housing unit transfer of some high-rise projects, such as "The Kith Lite Bangkradee", "The Niche ID Bangkae", "The Niche Ratchavibha", "The Niche ID Praram2", "The Niche MONO Bangna", and "The Kith Tiwanont".

Meanwhile, the low-rise projects such as "SENA Park Ville Wongwaen - Ramindra", "SENA Ville Boromratchonnaneesai5", "Shop house 113", and "Shop house the Niche ID Bangkae", along with the existing condominiums since 2013 such as "SENA Park Grand Ramindra", "Paremaporn Klong7", have been continuously transferred as well.

According to the high volume of transferred units, as a result, the consolidated total revenue from sales for the 9-month period ended September 30, 2016 has increased by THB 1,699.9 or 130.8% when compared to the previous year.

#### Revenue from Rental and Services

In the third quarter of 2016, revenue from rental and services was THB 56.2 million, which consists of revenue from apartment for rent in the amount of THB 11.6 million, revenue from warehouse for rent in the amount of THB 5.7 million, revenue from leasing space in SENA fest in the amount of THB 22.5 million and revenue from Golf course in the amount of THB 16.4 million. Increased by THB 1.8 million or 3.3% when compared to the third quarter of 2015, which was THB 54.4 million. Mainly, because the increase in Golf course and Serviced apartment revenues.

#### Revenue from Solar

The company recognized revenue from solar panel installation since 2015 and revenue from solar rooftop which selling electricity to PEA since the middle of 2015. As a result, in the third quarter of 2016, total revenue from solar business was THB 1.9 million and also had the share of associate profit in the amount of THB 21.2 million.

#### **Cost of Sales**

In the third quarter of 2016, consolidated total cost was THB 395.5 million or 58.5% of total revenue, which consists of cost of sales in the amount of THB 361.0 million or 53.4% of its revenue, cost of apartment for rent in the amount of THB 7.7 million or 66.3% of its revenue, cost of leasing in the amount of THB 11.7 million or 41.5% of its revenue, cost from Golf course in the amount of THB 13.4 million or 82% of its revenue and cost of solar rooftop in the amount of THB 1.6 million.

However, the average total cost ratio in the third quarter in 2016 was 58.5% while the ratio in the third quarter of 2015 was 57.8% and for accumulated 9 months ended September 30, 2016 was 56.8% decreased from 59.2% at the same period last year because of an efficient cost management.

#### **Selling and Administrative Expenses**

In the third quarter of 2016, consolidated total expenses was THB 169.0 million, which was selling expense and administrative expense in the amount of THB 93.3 and 75.7 million or equivalent to 13.5% and 10.9%, respectively. When compared to the third quarter of 2015, selling and administrative expenses have increased by THB 31.6 million or equivalent to 23.0%. Mainly incremental expenses were transfer fee, property tax, personnel expense and expense of solar business. Consequently, accumulated 9 months ended September 30, 2016, total expenses was THB 580.4 million, increased by THB 182.5 million or 46.0% when compared to the same period in 2015.

#### **Financial Position**

##### **Assets**

As at September 30, 2016 total assets of the company and its subsidiaries was THB 7,500.8 million, decreased by THB 635.2 million from December 31, 2015 which was at THB 8,136.0 million. The major reason was from decreasing of inventory in the amount of THB 543.8 million. Consequently, total current assets as at September 30, 2016 was at THB 4,034.5 million which decreased by THB 344.5 million when compared to December 31, 2015.

On the other hand, total non-current asset as of September 30, 2016 was at THB 3,466.3 million, decreased by THB 290.6 million from that of December 31, 2015 due to the land used for development in the amount of THB 311.0 million and increasing of investment in solar business in the amount of THB 55.2 million.

##### **Liabilities**

Total liabilities of the company and its subsidiaries as of September 30, 2016 amounted to THB 3,556.4 million, which consists of current liabilities in the amount of THB 2,692.7 million, and non-current liabilities in the amount of THB 863.6 million, respectively. Current liabilities increased by THB 178.9 million because current portion of long-term debentures were due, in the amount of THB 1,200.0 million.

In addition, loan payment and short term promissory notes in the amount of THB 953.9 million were paid. Therefore, non-current liabilities decreased to THB 1,200.0 million. As a result, the company and its subsidiaries D/E ratio were at 0.9, which no more than 1.5:1.

##### **Shareholders' Equity**

Shareholders' Equity as of September 30, 2016 was at THB 3,928.7 million, increased by THB 405.7 million from THB 3,523.0 million in December 31, 2015 due to increasing of retained earnings at THB 381.4 million.

Kindly be informed accordingly.

Yours Sincerely,

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