



NO. IR2018.00497

13 November 2018

Subject Explanation of operating result period of Q3/2018

Attn : President, The Stock Exchange of Thailand

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

Net Profit

For the third quarter of 2018, the Company and its subsidiaries' net profit was THB 196.7 million or 18.2% of total revenue. Increased THB 44.8 million or 29.5% when compared to Q3/2017. Mainly came from the increase of Condominium sales and the increase of management service fee revenue resulted in the 9 month-Net profit at THB 586.5 million or 15.1% of total revenue. Increased by THB 276.5 million or 89.2% when compared to the same period last year which had the net profit at 310.0 Million.

Revenue

Total Revenue for 3 months and 9 months in Q3/2018 and Q3/2017 were shown in below table:

Business	2018		2017		Increase/ (-)decrease	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from Sales						
Housing/Townhome/						
Commercial building	108.6	10.6%	256.6	19.5%	-148.1	-57.7%
Condominium	655.2	64.2%	952.2	72.3%	-296.9	-31.2%
	763.8	74.8%	1,208.8	91.8%	-445.0	-36.8%
Rental and Service Revenue	228.9	22.4%	91.5	6.9%	137.4	150.2%
Revenue from Solar Business	28.6	2.8%	17.1	1.3%	11.5	67.5%
Total Revenue from Sales and service	1,021.3	100.0%	1,317.4	100.0%	-296.1	-22.5%
Other Revenue	57.1		13.6		43.5	318.6%
Total Revenue	1,078.4		1,331.0		-252.6	-19.0%

Business	2018		2017		Increase/ (-)decrease	
	Million Baht	%	%	Million Baht	%	ร้อยละ
Revenue from Sales						
Housing/Townhome/						
Commercial building	667.4	17.6%	1,241.2	42.0%	-573.8	-46.2%
Condominium	2,589.7	68.1%	1,409.3	47.7%	1,180.4	83.8%
	3,257.1	85.7%	2,650.5	89.7%	606.6	22.9%
Rental and Service Revenue	507.7	13.4%	246.2	8.3%	261.5	106.2%
Revenue from Solar Business	37.0	1.0%	57.4	1.9%	-20.4	-35.5%
Total Revenue from Sales and service	3,801.8	100.0%	2,954.1	100.0%	847.7	28.7%
Other Revenue	98.9		47.4		51.5	108.6%
Total Revenue	3,900.7		3,001.5		899.2	30.0%

Total Revenue for 3 months 2018 was THB 1,078.4 million. Decreased by THB 252.6 million or 19.0% when compared to the same period last year at THB 1,331.0 million resulted in the total revenue for 9 months of 2018 equals to THB 3,900.7 million, increased by THB 899.2 million or 30.0% when compared to the same period last year which had its revenue at THB 3,001.5 million. Details are as follows;

Revenue from Real estate sales

The Sales revenue from Residential Project as of Q3/2018 was at THB 763.8 million. Decreased by THB 445.0 million or equal to 36.8% when compared to Q3/2017 which had its sales revenue at THB 1,208.8 million. The gross profit from sales was increased 14.0%. However, there will be many projects starting to transfer in this Q4 which are "Niche" brand with Niche ID Petchakasem-Bangkae with total project value at THB 704.0 million, The Niche ID Rama II-Daokanong with total project value at THB 614.5 million, The Niche ID Serithai with total project value at THB 703.3 million And 2 Shop house projects with total project value at THB 673.5 million

Revenue from Rental and Services

Revenue from Rental and Services

The total revenue from rental and services as of Q3/2018 is THB 228.9 million consists of revenue from apartment for rent and services THB 3.7 million, revenue from Juristic person management THB 9.6 million, revenue from warehouse THB 7.2 million, revenue from SENA fest (community mall) THB 18.7 million, revenue from golf course THB 21.3 million and revenue from Project management THB 156.1 million. Moreover, in Q3/2018, the Company established a new business as a sales agent. The total revenue from rental and services as of Q3/2018 increased by THB 137.4 million or equivalent to 150.2% when compared to the same period last year with had its revenue from rental and service at THB 91.5 million.

The increased revenue was mainly came from the Project Management revenue resulted in the 9-month revenue from rental and services at THB 507.7 million, increased THB 261.5 million or equivalent to 106.2% when compared to the same period last year, with its revenue from rental and service at THB 246.2 million.

Revenue from Solar

The company received THB 28.6 million as revenue from solar business in Q3/2018. Increased by THB 11.5 million or 67.4%, when compared to the same quarter last year which had its revenue at THB 17.1 million resulted in the 9-month revenue from solar business at THB 37.0 million, decreased THB 20.4 million or 35.5% when compared to the same period last year, with its revenue from solar business at THB 57.4 million. However, the Company still gain the share of profit of associates in the invested Solar project for the first 9 months of 2018 in the amount of THB 43.0 million.

Cost of Sales

In the third quarter of 2018, consolidated total cost was THB 494.6 million or 48.4% of total revenue which consists of cost of projects sales in the amount of THB 375.3 million or 49.1% of total sales revenue, cost of Service apartment for rent and services at THB 3.2 million or 86.8% of total revenue from apartment for rent and services, cost of SENA fest service and leasing at THB 9.1 million or 48.7% of total its revenue, cost of Golf course service at THB 13.9 million or 65.0% of its revenue and cost of Project management at THB 52.1 million or 33.4% of total Project management service revenue.

The 9-month cost of 2018 was THB 2,022.2 million or 53.2% of main business revenue. The total cost to sales ratio of Q3/2018 is decreased from Q3/2017 which was at THB 1,908.3 million or 64.6% of main business revenue due to the efficient cost management.

Selling and Administrative Expenses

In the third quarter of 2018, consolidated expense was THB 250.0 million, consists of selling expense and administrative expense in the amount of THB 119.6 and 130.4 million or 11.1% and 12.1% of total revenue respectively.

When compared to Q3/2017, selling expense and administrative expense had decreased THB 50.1 million or equivalent to 16.7%. 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 9 months of 2018 equals to THB 842.2 million, increased by THB 228.8 million or 37.3%

Financial Position

Assets

As of September 30, 2018 total assets of the company and its subsidiaries was at THB 11,859.4 million, increased by THB 1,127.0 million from December 31, 2017 which was at THB 10,732.5 million.

The major reasons were from the short term loan at THB 503.9 million and land acquisition for development resulted in the current asset as of 30 September 2018 was at THB 8,527.8 million, increased by THB 557.7 million when compared to 31 December 2017 which had the current assets at THB 7,970.1 million

Meanwhile, the total non-current asset as of September 30, 2018 was at THB 3,331.7 million, increased by THB 569.3 million compared to December 31, 2017. Due to the operating result in the Company's other investment in the amount of THB 395.7 million.

Liabilities

Total liabilities of the Company and its subsidiaries as of September 30, 2018 was THB 6,643.3 million, which consist of current liabilities in the amount of THB 4,115.6 million, and non-current liabilities in the amount of THB 2,527.7 million respectively.

Current liabilities increased by THB 630.4 million, mainly from 1-year due debenture in the amount of THB 1,446.0 million, the repayment of the debenture in the amount to THB 800.0 million and repayment of land loan in the amount of THB 75.0 million.

While non-current liabilities increased by THB 58.6 million when compared to December 31 ,2017 mainly were from 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 0.4 million.

Nevertheless, the Debt to Equity ratio was 1.27 which the company was able to maintain theirs D:E ratio at 1.5:1.

Shareholders' Equity

Shareholders' Equity as of September 30, 2018 was at THB 5,216.2 million, increased by THB 438.1 million when compared to December 31, 2017 which was THB 4,778.1 million. Due to the increase of paid up capital at THB 206.2 million and net profit at THB 200.5 million.

Yours Sincerely,

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