



NO. IR2017.00043

February 23, 2017

Subject Explanation of operating result for the Year 2016

Attn : President The Stock Exchange of Thailand

SENA Development Public Company Limited and its subsidiaries would like to clarify our operating result for the year 2016 ended December 31, 2016 as follows:

In 2016, total consolidated revenue was THB 4,058.6 million, increased THB 1,839.2 million or 82.9% when compared to the previous year which had total revenue in the amount of THB 2,219.4 million as a result of the increasing of revenue from all business segments which are condominium ,housing, townhome, shop house, rental business, Solar Project, Golf course and other revenue. However, revenue from Real Estate segment is 91.9%. counted as the main portion of the total revenue.

For consolidated net profit in year 2016, was THB 762.6 million which increased THB 508.7 million or equivalent to 200.4% compared to the previous year consolidated net profit, which was THB 253.9 million. Because of the company revenue, mostly in Real Estate segment, had increased. Additionally, the Company has been strengthen and growth firmly due to the Solar energy business as the Company's new business segment expansion, including the efficient cost and expense management.

Revenue

Revenue in comparison has shown in table below:

Unit : (million baht)
For year 2016

Business	Year 2016		Year 2015		Increase/(-) Decrease	
	Million Baht	%	Million Baht	%	Million Baht	%
Real Estate						
Housing/Townhome/Shop house	556.7	13.7%	468.8	21.1%	87.9	18.8%
Condominium	3,173.6	78.2%	1,461.7	65.9%	1,711.9	117.1%
Total Revenue from Real Estate	3,730.3	91.9%	1,930.5	87.0%	1,799.8	93.2%
Rental and Services	238.4	5.9%	224.7	10.1%	13.7	6.1%
Solar Business	37.3	0.9%	22.1	1.0%	15.3	69.2%
Total Revenue from Sales and services	4,006.0	98.7%	2,177.3	98.1%	1,828.7	84.0%
Other Revenue	52.6	1.3%	42.1	1.9%	10.4	24.8%
Total	4,058.6	100.0%	2,219.4	100.0%	1,839.2	82.9%

Revenue from Real Estate

In 2016, the company received revenue from selling projects in total THB 3,730.3 million, increased by THB 1,799.8 million or equivalent to 93.2% when compared to the previous year, which was THB1,930.5 million. The main reason was the increasing of revenue in selling condominiums in the amount of THB 3,173.6 million. And revenue from selling



housing/townhome/shop house was at THB 556.7 million or equivalent to 78.2% and 13.7% of total revenue respectively.

Revenue from housing/townhome/shop house in 2016 was THB 556.7 million, increased THB 87.9 million or 18.8% when compared to the previous year. The major portion of revenue was from Project that have been started its revenue recognition continuously since quarter 2 which were, *SENA Ville Borommaratchachonnani Sai 5* at THB 27.7 million from "SENA Ville" project. "SENA Park Ville" 1 Project which was *SENA Park Ville Ramintra-Wongwaen* at THB 146.1 million. 2 Projects from "Shop House" which were *SENA Shophouse Sukhumvit 113* and *SENA Shop House Bangkhae* with total revenue at THB 147.8 million. "S-Ville" 2 projects which were S-Ville Rungsit-Lamluka Klong-4 and S-Ville Klong Luang with the total revenue at THB 106.3 million. In addition, the high value project which was *SENA Park Grand-Ramindra*, with THB 175.6 million was gradually recognized its revenue since late 2013.

Revenue from condominium in 2016 was THB 3,173.6 million, increased by THB 1,711.9 million or 117.1% when compared to the revenue last year which was THB 1,461.7 million. Revenue mainly came from Project that have been started its transfer period in quarter 2 and 3 2016, which were the "Niche Mono" Project; The Niche Mono Ratchavipha, The Niche Mono Bangna in the amount of THB 1,720.8 million and THB 1,613.7 million respectively. The "Niche ID", namely The Niche ID Seri Thai, The Niche ID Bangkhae and The Niche ID Rama II 's revenue in total at THB 740.9 million. Meanwhile in the "Kith" Project, The Kith Tiwanon was at THB 225.5 million that had been recognized its revenue continuously since late 2013, the Kith Lite Bangkadi THB 243.7 million, and the Kith Lamlukka Klong 2 THB 75.4 million.

Furthermore, Condominium revenue is mainly from 9 Projects consist of the "Niche" 5 projects namely "The Niche Mono Bangna", "The Niche Mono Ratchavipha", "The Niche ID Rama II", "The Niche ID Bangkhae", and "The Niche ID Seri Thai" with consolidated revenue at THB 2,461.7 million. The Kith 4 projects which are "The Kith Klongluang", "The Kith Tiwanon", "The Kith Klong 2", and "The Kith Lite Bangkradee" in the total revenue of THB 546.2 million equivalent to 78.2% of total Real Estate revenue.

Revenue from Rental and Services

Revenue from Rental and Services

In 2016, total revenue from rental and services was THB 238.4 million which consist of revenue from Apartment and

Warehouse for rent in the amount of THB 67.5 million, revenue from *SENA Fest Community Mall* was THB 92.7million and revenue from Golf Course in the amount of THB 78.2 million, increased THB 13.7 million or 6.1% compared to the previous year revenue which was THB 224.7 million, mainly came from the increasing of Golf Course revenue.

Revenue from Golf Course

2016 Revenue from Golf Course was THB 78.2 million increased THB 8.6 million or equivalent to 12.4% when compared to the previous year revenue which was THB 69.6 million as a result of 18-hole course and new Club House were fully opened

Revenue from Solar Business

Since 2015 to 2016, the Company has been invested and operated in Renewable energy which were Solar Farm, Solar Rooftop, and Solar Panel installation. Caused THB 37.3 million as revenue to the Company, increased THB 15.3 million or equivalent to 69.2% when compared to the previous year revenue which was THB 22.1 million

Cost of Sales

In 2016 and 2015, Cost of Project sales was at THB 2,103.4 million and THB 1,137.2 million respectively, with their Cost of sale proportion at 56.4% and 58.9% respectively. Whereas Gross Profit Margin of 2016 increased to 43.6% from 41.1%, resulted from the efficient cost management.



For Cost of Rental and Services was at THB 130.3 million in 2016 and THB 128.9 million in 2015, with their Cost of sale proportion at 54.6% and 57.4% respectively. Whereas Gross Profit Margin of 2016 increased to 45.4% from 42.6%, as a result of the efficient cost management.

In addition, Cost of Solar Business was at THB 29.1 million in 2016 and THB 16.2 million in 2015, with their Cost of sale proportion at 78.1% and 73.3% respectively.

Selling and Administrative Expenses

Selling and Administrative expenses in 2016 were THB 814.4 million or 20.1% while in 2015, the expenses were at THB 573.5 million or 25.8% of total revenue.

For 2016 Selling expenses in the amount of THB 471.1 million or 11.6% of total revenue, increased by THB 201.1 million from THB 270.0 million or 12.2% in 2015 selling expenses. The expenses have been incurred according to The Niche Pride Thonglor-Phetchaburi 's 2017 transfer period publicizing. And Revenue recognition publicizing for "The Niche ID Seri Thai", "The Niche Mono Ratchavipha", "The Niche ID Rama II" and "The Kith" Projects, including "SENA Park Ville Ramintra-Wongwaen.", "SENA Ville Borommaratchachonnani Sai 5", "SENA Town" and "SENA Avenue"

However, for Administrative expenses (Executive compensation included) in 2016 and 2015 were at THB 343.3 million and THB 303.6 million or equivalent to 8.5% and 13.6% respectively, increased by THB 39.7 million or 13.1% because of the expenses in Personnel, Salary and Solar business expansion.

Net Profit

The Company and its subsidiaries reported net profit of year 2016 and 2015 in the amount of THB 762.6 million and THB 253.9 million or 18.8% and 11.4% of total revenue respectively, which increased by THB 508.7 million or equivalent to 200.4%.

As a result of the ascending of Real Estate revenue both High-rise and Low-rise projects. Additionally with the efficient management and efficient cost of sales were considered as significant factors.

Assets

Total assets of the Company and its subsidiaries was THB 7,633.4 million as of December 31, 2016. Decreased by THB 502.5 million compared to December 31, 2015 which were THB 8,135.9 million. Due to the decreasing of inventories under Real Estate Project Development for sales in the amount of THB 678.6 million. And Units transferring to customers in "The Niche Mono Ratchavipha", "The Niche ID Serithai", "The Niche ID Rama II", "The Niche ID Bangkae", "The Kith Lite Bangkradee", "SENA Park Ville Ramintra-Wongwaen" and "SENA Park Grand-Ramindra ". Resulted in Current Assets as of December 31, 2016 were at THB 3,879.0 million, decreased THB 513.7 million compared to December 31, 2015.

On the contrary, total Non-current assets as of December 31, 2016 was at THB 3,754.5 million, increased by THB 11.2 million from that of December 31, 2015 according to the increasing of Investments in associates and joint venture with net amount of THB 93.4 million, net amount of Property, plant and equipment THB 25.1 million, the decreasing of Land held for development (since the new Projects has been launched) at the amount of THB 58.0 million, the decline of Deposits at bank pledged as collateral THB 30.3 million, and the reduction of other Non-current assets equivalent to 14.6 THB million.

Liabilities

Total liabilities of the Company and its subsidiaries as of December 31, 2016 amounted to THB 3,585.2 million, which consist of Current liabilities in the amount of THB 2,720.9 million, and Non-current liabilities in the amount of THB 864.2 million respectively. Current liabilities increased by THB 207.1 million because the increasing of 1 year Debentures due at the amount of THB 1,200 million, Long-term promissory notes were due at the amount of THB 115.5 million, Short-term promissory notes were due at the amount of THB 696.0 million. And the repayment of Long-term loans from financial institutions at the amount of THB 368.1 million.



Meanwhile, other Non-current liabilities decreased by THB 1,216.5 million since the decline of debenture were due, in the amount of THB 1,200 million and also the repayment of Long-term loans from financial institutions in the amount of THB 30.3 million. And the increasing of long term promissory notes in the amount of THB 7.0 million. Nevertheless, the Company and its subsidiaries can keep D:E ratio no more than 0.89:1.

Shareholders' Equity

Shareholders' Equity as of December 31, 2016 was at THB 4,048.3 million, increased by THB 506.9 million compared to December 31, 2015 which was THB 3,541.4 million as a result of Capital increase and Premium on share capital, together with increasing of retained earnings.

Yours Sincerely,

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