



NO.IR2018.00174

14 May 2018

Subject Explanation of operating result period of Q1/2018

Attn : President, The Stock Exchange of Thailand

SENA Development Public Company Limited and its subsidiaries would like to clarify our operating as of March 31, 2018 as follows:

Net Profit

For the first quarter of 2018, the Company and its subsidiaries' net profit was THB 164.6 million or 15.1% of total revenue. Increased THB 93.9 million or 132.8% when compared to Q1/2017 which was at THB 70.7 million. Mainly came from the increase of ownership transfer revenue in residential business THB 527.1 million, and the increase of rental and services business revenue at THB 94.7 million. Also the Company's ability in cost management.

Revenue

Total Revenue for 3 months of Q1/2018 and total Revenue Q1/2017 were shown in below table:

Business	3 months					
	2018		2017		Increase/ (-)decrease	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from Sales						
Housing/Townhome/	133.7	12.5%	167.7	36.0%	-34.0	-20.3%
Commercial building	762.8	71.5%	201.7	43.2%	561.1	278.2%
Condominium						
	896.5		369.4	79.2%	527.1	142.7%
Rental and Service Revenue	165.3	15.5%	70.6	15.1%	94.7	134.1%
Revenue from Solar Business	5.3	0.5%	26.3	5.6%	-21.0	-79.8%
Total Revenue from Sales and service	1,067.1	100.0%	466.3	100.0%	600.8	128.8%
Other Revenue	21.3		21.5		-0.2	-0.9%
Total Revenue	1,088.4		487.8		600.6	123.1%

The Q1/2018's total revenue was THB 1,088.4 million. Increased by THB 600.6 million or 123.1% when compared to the same period last year at THB 487.8 million. Details are as follows;

Revenue from Real estate sales

The Sales revenue from Residential Project as of Q1/2018 was at THB 896.5 million. Increased by THB 527.1 million or equal to 142.7% when compared to Q1/2017 which had its sales revenue at THB 369.4 million. As a result from the Condominium projects' Ownership transfer revenue recognition.

The Sales revenue from Condominium Projects as of Q1/2018 equals to THB 762.8 million, increased by THB 561.1 million or 278.2% when compared to the same period last year. Mainly came from the "Niche" brand 8 projects which are "The Niche Rama II" phase 1 and 2, "The Niche Ratchavipha", "The Niche ID Bangkai", "Niche ID Serithai", "Niche Mono Peak Bangna", "Niche Pride Thonglor-Petchaburi" and "The Niche Mono Sukhumvit 50" in total amount of THB 599.4 million.

And 3 projects from "The Kith" brand which are "The Kith Lite Bangkradee" phase 2, "The Kith plus Sukhumvit 113", "The Kith Thiwanon" in total amount of THB 163.5 million

Furthermore, the company still continuously recognized revenue from the high valued project since 2013 in "SENA Park Grand Ramintra" and "SENA Park Ville Wongwan-Ramintra" in total amount of THB 97.4 million

Revenue Rental and Services

In the first quarter of 2018, revenue from apartment for rent and services, revenue from warehouse, revenue from SENA fest (community mall), revenue from golf course and revenue from Project management in the total amount of THB 165.3 million, increased THB 94.7 million or 134.1%, when compared to Q1/2017, with its revenue from rental and service at THB 70.6 million.

The increased revenue was mainly came from the Project Management revenue and golf course.

Revenue from Solar

The company received THB 5.3 million as revenue from solar business in Q1/2018. Decreased by THB 21.1 million or 79.8%, when compared to the same quarter last year. However, the Company still gain the share of profit of associates in Solar project in Saraburi and Nakhorn pathom province for Q1/2018 in the amount of THB 15.1 million.

Cost of Sales

In the first quarter of 2018, consolidated total cost was THB 560.3 million or 52.5% of total revenue, which consist of cost of projects sales in the amount of THB 476.2 million or 53.1 % of sales revenue, cost of rental and services in the amount of THB 75.4 million or 45.6% of its revenue.

However, the average total cost ratio in Q1/2018 was 52.5%, decreased when compared to the ratio of Q1/2017, which was at 57% due to the Company 's ability to maintain its efficiency cost control.

Selling and Administrative Expenses

In the first quarter of 2018, consolidated expense was THB 249.0 million, consists of selling expense and administrative expense in the amount of THB 135.7 and 113.3 million or 12.5% and 10.5% of total revenue respectively.

When compared to Q1/2017, selling expense and administrative expense had increased THB 113.8 million or equivalent to 84.2%. 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 Joint venture projects.

Financial Position

Assets

As of March 31, 2018 total assets of the company and its subsidiaries was at THB 11,928.6 million, increased by THB 1,196.2 million from December 31, 2017 which was at THB 10,732.5 million.

The current assets is at THB 8,856.0 million which increased by THB 885.9 million. The major reason was from the increase of cash in the amount of THB 673.8 million and short term loan to SENA Hankyu 3 Co.,ltd in the amount of THB 994.2 million.

On the contrary, the total non-current asset as of March 31, 2018 was at THB 3,072.6 million, increased by THB 310.3 million compared to December 31, 2017. Due to the operating result in the Company's other investment, in the amount of THB 262.1 million. And office supplies for moving to new head office in the total amount at THB 45.5 million.

Liabilities

Total liabilities of the Company and its subsidiaries as of March 31, 2018 was THB 6,983.5 million, which consist of current liabilities in the amount of THB 3,015.2 million, and non-current liabilities in the amount of THB 3,968.4 million respectively.

Current liabilities decreased by THB 470.1 million, mainly from repayment to account payable and other account payable from ordinary course of business. And reimbursement of 1-year debentures and short-term loan from Financial institutes.

While non-current liabilities increased by THB 1,499.3 million when compared to December 31, 2017 regarding the increase of the issue of debenture in the amount of THB 1,500 million.

Nevertheless, the Debt to Equity ratio was 1.4 which the company was able to maintain their D:E ratio at 1.5:1.

Shareholders' Equity

Shareholders' Equity as of March 31, 2018 was at THB 4,896.5 million, increased by THB 171.7 million when compared to December 31, 2017 which was THB 4,724.9 million. Due to the increase of net profit at THB 164.6 million.

Yours Sincerely,

(Mrs. Weraporn Chaisiriyasawat)
Deputy Chief Executive Officer and Secretary of the Company
Sena Development Public Company Limited