



NO IR.2017/00119

15 May 2017

Subject Explanation of operating result period of Q1/2017  
 Attn : President, The Stock Exchange of Thailand

SENA development Public Company Limited and its subsidiaries would like to clarify our operating on Q1/2017 at March 31, 2017 as follows:

In the first quarter of 2017, SENA development Public Company Limited and its subsidiaries' consolidated total revenue is at THB 487.8 million, decreased by THB 388.9 million or 44.4% when compared to the same period last year which had its total revenue at THB 876.7 million. As a result from the decrease of revenue recognition in Condominium projects due to some projects were under construction to be transferred at the end of 2017. However, the sales revenue from condominium projects maintained the Company's major revenue which is considered 75.7% of total revenue.

Net profit of Q1/2017 was THB 70.7 million, decreased by THB 81.2 million or 53.5% when compared to Q1/2016 which had its net profit at THB 152.0 million. Regard the decrease of condominium projects' revenue.

### Revenue

Sales Revenue for 3 months of Q1/2017 and Total Revenue of Q1/2016 has shown in table below:

Unit : (million baht)

| Business                             | Q1/2017      |        | Q1/2016      |        | Increase/(-)decrease |        |
|--------------------------------------|--------------|--------|--------------|--------|----------------------|--------|
|                                      | Million Baht | %      | Million Baht | %      | Million Baht         | %      |
| Revenue from Sales                   |              |        |              |        |                      |        |
| Housing/Townhome/Commercial building | 167.7        | 36.0%  | 77.3         | 8.9%   | 90.4                 | 116.9% |
| Condominium                          | 201.6        | 43.2%  | 714.9        | 82.5%  | -513.3               | -71.8% |
|                                      | 369.3        | 79.2%  | 792.2        | 91.4%  | -422.9               | -53.4% |
| Rental and Service Revenue           | 70.6         | 15.1%  | 67.8         | 7.8%   | 2.8                  | 4.1%   |
| Revenue from Solar Business          | 26.4         | 5.7%   | 6.6          | 0.8%   | 19.8                 | 300.0% |
| Total Revenue from Sales and service | 466.3        | 100.0% | 866.6        | 100.0% | -400.3               | -46.2% |
| Other Revenue                        | 21.5         |        | 10.1         |        | 11.4                 | 112.9% |
| Total Revenue                        | 487.8        |        | 876.7        |        | -388.9               | -44.4% |

### Revenue from Sales

In the first quarter of 2017, Sales revenue was THB 369.3 million. Decreased by THB 422.9 million or equal to 53.4% when compared to the same quarter last year which had its sales revenue at THB 792.2 million regards the decline of Condominium projects' revenue.

The Sales revenue from Condominium Project as of Q1/2017 was at THB 201.6 million. Decreased by THB 513.3 million or equal to 71.8% when compared to Q1/2016. The sales revenue mainly came from 1 project in "The Niche" brand, the Niche ID Serithai, with its total revenue at THB 36.4 million. And from low-rise projects. 1 Project from "S-ville" with total revenue of THB 23.2 million. Furthermore, Navamin Project, Bangkadi-tiwanon under brand "SENA Town and SENNA Avenue" had total sales revenue at THB 15.1 million. And revenue from Sukhumvit 113 Shophouse project in the amount of THB 14.2 million. Moreover, the project that has highest valued and has been recognizing its revenue since Q2/2015 was SENNA Parkville Ramindra amount of THB 60.4 million.

### **Revenue Rental and Services**

In the first quarter of 2017, revenue from rental and services was THB 70.6 million, which consist of revenue from apartment for rent in the amount of THB 12.0 million, revenue from warehouse for rent in the amount of THB 7.7 million, revenue from leasing SENNA fest in the amount of THB 23.2 million and revenue from golf course in the amount of THB 27.7 million. When compared to Q1/2016, the revenue from rental and service was THB 67.8 million, increased THB 2.8 million or 4.1%, mainly came from the increase of revenue from Apartment rental and services and Juristic person management.

### **Revenue from Solar**

The company received THB 26.4 million as revenue from solar business in Q1/2017. Increased by THB 19.8 million or 300.0%, when compared to the same quarter last year which had its revenue at THB 6.6 million. And had share of profit of associates in the amount of THB 18.2 million.

### **Cost of Sales**

In the first quarter of 2017, consolidated total cost was THB 265.8 million or 57.0% of total revenue, which consist of cost of projects sales in the amount of THB 210.6 million or 57.0 % of its revenue, cost of apartment for rent and service in the amount of THB 8.2 million or 68.3% of its revenue, cost of leasing in the amount of THB 10.2 million or 33.0% of its revenue, cost from golf course and services in the amount of THB 16.8 million or 60.5% of its revenue.

However, the average total cost ratio in Q1/2017 was 57.0% decreased when compared to the ratio of Q1/2016, which was at 59.4% due to the efficient cost management.

### **Selling and Administrative Expenses**

In the first quarter of 2017, consolidated expense was THB 135.2 million, which was selling expense and administrative expense in the amount of THB 54.3 and 80.9 million or 11.1% and 16.6% of consolidated expense respectively. When compared to Q1/2016, expense had decreased THB 32.8 million or equivalent to 8.6%. Mainly came from the Marketing and Projects' Public Relations (PR) expenses restriction policy

### **Net Profit**

For the first quarter of 2017, the Company and its subsidiaries' net profit was THB 70.7 million or 14.5% of total revenue, decreased THB 81.2 million or 53.5% when compared to Q1/2016. Since the project condominium's sales revenue decreased.

### **Assets**

As of March 31, 2017 total assets of the company and its subsidiaries was at THB 8,867.5 million, increased by THB 1,234.0 million from December 31, 2016 which was at THB 7,633.4 million. The major reason was from the increase of Lands held for development and the under construction Projects. Resulted the current assets as of March 31, 2017 was at THB 6,424.2 million which increased by THB 1,112.1 million when compared to December 31, 2016 which was at THB 5,312.1 million.

On the contrary, total non-current asset as of March 31, 2017 was at THB 2,443.3 million, increased by THB 122.0 million compared to December 31, 2016 which had THB 2,321.3 million. Due to the increase of investment in Joint venture companies, SENA Hankyu 1 Company Limited and B.Grimm SENA Solar power Company Limited in the amount of THB 101.6 million, and THB 18.2 million respectively.

## **Liabilities**

Total liabilities of the Company and its subsidiaries as of March 31, 2017 was THB 4,744.7 million, which consist of current liabilities in the amount of THB 3,277.6 million, and non-current liabilities in the amount of THB 1,467.2 million. Current liabilities increased by THB 556.7 million, mainly from short-term loan from Financial institutes in the amount of THB 510.3 million. While non-current liabilities increased by THB 602.9 million regards the issuing of two long-term debentures in the amount of THB 1,400 million. And debenture payment in the amount of THB 800 million. Nevertheless, the company and its subsidiaries continued to maintain theirs D:E ratio at 1.5:1 .

## **Shareholders' Equity**

Shareholders' Equity as of March 31, 2017 was at THB 4,104.9 million, increased by THB 72.3 million When compared to December 31, 2016 which was THB 4,032.6 million. Due to the increase of retained earnings at THB 70.7 million.

Yours Sincerely,

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