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Subject Clarification of Year 2023 Operating Result

Attention President, The Stock Exchange of Thailand

SENA Development Public Company Limited (“the Company”) would like to clarify the operating results of the company and its subsidiaries (“the Group”) for the year ended on December 31<sup>st</sup>, 2023. The information in this section is referred to the financial statement note 32 which is the income statement prepared by the management before eliminating intercompany transactions and allocating net profit or loss to other shareholders in the joint venture company. This will provide an explanation of the company’s capabilities to conduct each type of business.

For the outlook of the company’s performance over the past 12 months, the Company has generated revenue of 8,432.87 million baht from the real estate business. The total revenue, including real estate business, project management and other services business, and business related to green energy, amounts to 10,945.56 million baht. Compared to the same period last year, the Company’s total revenue increased by 1,167.48 million baht, or an increase of 11.9%, which is due to the growth of all businesses with the gross profit stands at 3,265.26 million baht, or 31.6% of the total net revenue. The ability to generate gross profit can be delineated into each type of business as follows:

**The summary of the Group’s performance. (Income Financial Statement prepared by management)**

Description	Real Estate Business		Project Management Service and Other services		Green Energy Business		Consolidated (All Businesses)		Compare	
	2566	2565	2566	2565	2566	2565	2566	2565	Increase/(Decrease)	
Income before discount	8,432.87	7,733.82	1,868.92	1,610.66	652.78	442.60	10,954.56	9,787.07	1,167.48	11.9%
(-) Discount	(632.30)	(624.89)	-	-	-	-	(632.30)	(624.89)	(7.41)	
Net Revenue	7,800.56	7,108.92	1,868.92	1,610.66	652.78	442.60	10,322.26	9,162.18	1,160.08	12.7%
Cost of good sold	(5,369.18)	(4,984.69)	(1,305.82)	(764.02)	(382.00)	(213.72)	(7,057.00)	(5,962.43)	(1,094.57)	18.4%
Gross profit (loss)	2,431.39	2,124.23	563.10	846.64	270.78	228.88	3,265.26	3,199.75	65.51	2.0%
GP	31.2%	29.9%	30.1%	52.6%	41.5%	51.7%	31.6%	34.9%		

*\*Business related to green energy included solar farms (PPA), solar rooftop (PPA, Private PPA, EPC), EV car and planting forests for carbon credits*



## 1. The real estate business revenue comes from SENA Development Plc., SENX Plc., and joint venture companies (SENA and HHP)

In terms of revenue from the real estate business, the company's revenue has increased by 9% compared to the same period last year with a gross profit equal to 31.2% of the net revenue representing a 1.3% increase from the same period last year. This growth is due to the company's strategy of setting sales prices and managing sales costs effectively.

In 2023, the Company achieved pre-sale in the real estate business, amounting to 10,577 million baht. This revenue came from both joint venture and non-joint venture projects, with 79% from condominium projects and 21% from housing projects. The company has recognized the transfer of ownership as the company's revenue for the year 2023, amounting to 8,432 million baht, with 82% from condominium projects and 18% from housing projects. Compared to the same period last year, the company's revenue from property transfers increased by 699 million baht, or an increase of 9%. Throughout the year, the company has encountered cases where customers who did not qualify for loans were rejected by financial institutions, resulting in a total amount of 1,878 million baht. representing a significant increase from the previous year. Regarding the aforementioned ratio, the company has a strategy to manage it by setting up a subsidiary, namely "Ngersodjaidee", to support customers who qualify for the loan amount that financial institutions do not cover. However, for next year, "Ngersodjaidee" plans to assist in residential loans, enabling everyone to own a home from the Company without worrying about financial credit. The goal for next year is to reduce the loan rejection rate from banks by at least 10-15% to bolster the company's unit ownership transfers and facilitate sales.

	12M 2566 Transfer			12M 2565 Transfer			YoY	
	Unit	Million Baht	%	Unit	Million Baht	%	Million Baht	%
SENA - Housing	151	774	9%	218	1,087	10%	-313	-29%
SENA - Condo	536	894	11%	577	888	8%	6	1%
SENA Hankyu - Housing (JV)	65	268	3%	40	131	1%	137	105%
SENA Hankyu - Condo (JV)	2,919	5,875	69%	1,926	4,882	46%	993	20%
SEN X - Housing	125	514	6%	140	517	5%	-3	-1%
SEN X - Condo	79	106	1%	168	228	2%	-122	-53%
SEN X Hankyu - Condo (JV)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,875</b>	<b>8,432</b>	<b>100%</b>	<b>3,069</b>	<b>7,733</b>	<b>100%</b>	<b>699</b>	<b>9%</b>

In addition, the Company has the backlog at the end of 2023 representing the amount of await revenue from the residential units' ownership transfers approximately at 4,762 million baht, divided into non-joint venture projects approximately 667 million baht, and joint ventures approximately 4,096 million baht. The



backlog value from the completed projects and waiting to transfer the ownership at the end of the year is 1,105 million baht. Meanwhile, there are another 14 projects, with construction planned to be completed within 2024, that have a backlog value of approximately 2,665 million baht. The majority of the backlog comes from the following projects: Sena Kith Srinakharin – Sridan Sena , Kith Bangna KM.29 Phase 1 Flexi Suksawat , Sena Kith Theparak – Bangbo 2 Phase 2 , Sena Kith Phetkasem 120 Phase 1 , Sena Eco Town Rangsit – Station Phase 1 , Sena Kith Rangsit Khlong 4. Moreover, the Company has a total accumulated inventory of 52,981 million baht, consisting of ready-to-move-in units amounting to 11,661 million baht, and another 4,501 million baht planned for construction completion within 2024.”

## **2. Project management and other services**

In the project management business, the company’s revenue has increased by 16% compared to the same period last year, driven by growth in the project management services sector. The gross profit is 30.1% of the revenue, representing a decrease of 22% from the same period last year. This decrease is attributable to the cancellation in residential sales, which has led to additional marketing expenses. In 2023, the company had a total cancellation amount of 6,162 million baht, with 31% resulting from rejections by financial institutions and 69% due to customers’ personal reasons.

The other services business, which includes property management, brokerage, warehouse, apartment, golf course, and Sena Fest shopping center, has overall revenue that remains close to the same period of the previous year. The golf course business has a 44% increase in revenue compared to the same period of the previous year. This is considered a good sign for the Pattaya Country Club golf course service business.

## **3. Green Energy Business**

This business group includes the solar business, which encompasses EPC, PPA, Private PPA, both solar rooftop and solar farm, the electric vehicle sales business, and a new business that the company has begun to study and invest in, which is forest planting for carbon credits. In 2023, the company’s revenue has increased by 47.5% compared to the same period of the previous year. This is due to the company recognizing revenue from the EPC in solar business and the electric vehicle sales business that the company launched in the 4<sup>th</sup> quarter of 2023.



However, for operating results according to the consolidated financial statements and separate financial statements that have been audited by an auditor Ending on December 31, 2023, details are as follows.

	(Unit : Thousands Baht)											
	Consolidated financial statements						Separate financial statements					
	2566	%	2565	%	Increase/ (Decrease)	%	2566	%	2565	%	Increase/ (Decrease)	%
Revenue from sales	2,109,505	55%	2,464,797	59%	(355,293)	-14%	1,267,587	50%	1,657,625	59%	(390,038)	-24%
Revenue from rental and services	1,297,280	34%	1,171,110	28%	126,170	11%	73,022	3%	70,541	3%	2,481	4%
Revenue from solar business	169,770	4%	40,973	1%	128,797	314%	0	0%	0	0%	0	0%
Revenue from sales car	84,629	2%	0	0%	84,629	100%	0	0%	0	0%	0	0%
<b>Total revenues</b>	<b>3,661,184</b>	<b>95%</b>	<b>3,676,880</b>	<b>88%</b>	<b>(15,696)</b>	<b>0%</b>	<b>1,340,609</b>	<b>52%</b>	<b>1,728,166</b>	<b>61%</b>	<b>(387,557)</b>	<b>-22%</b>
Cost of sales	1,406,801	67%	1,694,387	69%	(287,585)	-17%	810,095	64%	1,094,342	66%	(284,246)	-26%
Cost of rental and service	904,388	70%	433,164	37%	471,224	109%	38,529	53%	34,695	49%	3,834	11%
Cost of solar business	130,435	77%	31,124	76%	99,310	319%	0	#DIV/0!	0	0%	0	0%
Cost of sales car business	74,514	88%	0	0%	74,514	100%	0	#DIV/0!	0	0%	0	0%
Total costs	2,516,139	69%	2,158,675	59%	357,464	17%	848,624	63%	1,129,036	65%	(280,412)	-25%
<b>Gross profit (loss)</b>	<b>1,145,045</b>	<b>31%</b>	<b>1,518,205</b>	<b>41%</b>	<b>(373,160)</b>	<b>-25%</b>	<b>491,985</b>	<b>37%</b>	<b>599,129</b>	<b>35%</b>	<b>(107,145)</b>	<b>-18%</b>
Profit from loss of control subsidiaries	14,632	0%	8,408	0%	6,224	74%	0	0%	0	0%	0	0%
Gain form sequeisition of investment in subsidiar	0	0%	212,833	5%	(212,833)	-100%	0	0%	0	0%	0	0%
Dividend received from ralated parties	0	0%	0	0%	0	0%	757,089	30%	773,676	27%	(16,587)	-2%
Other income	145,676	4%	271,236	6%	(125,560)	-46%	357,278	14%	226,020	8%	131,258	58%
<b>Profit (loss) before expense</b>	<b>1,305,353</b>	<b>34%</b>	<b>2,010,682</b>	<b>48%</b>	<b>(705,329)</b>	<b>-35%</b>	<b>1,606,352</b>	<b>63%</b>	<b>1,598,826</b>	<b>57%</b>	<b>7,526</b>	<b>0%</b>
Cost of distribution	205,050	5%	284,152	7%	(79,103)	-28%	126,620	5%	168,674	6%	(42,054)	-25%
Administrative expenses	647,752	17%	807,084	19%	(159,332)	-20%	495,181	19%	382,985	14%	112,196	29%
Other expenses	23,251	1%	23,663	1%	(412)	-2%	23,251	1%	23,663	1%	(412)	-2%
<b>Total expenses</b>	<b>876,052</b>	<b>23%</b>	<b>1,114,899</b>	<b>27%</b>	<b>(238,847)</b>	<b>-21%</b>	<b>645,052</b>	<b>25%</b>	<b>575,322</b>	<b>20%</b>	<b>69,730</b>	<b>12%</b>
<b>Profit (loss) before finance costs and - share of profit (loss) of associates and joint venture</b>	<b>429,301</b>	<b>11%</b>	<b>895,783</b>	<b>21%</b>	<b>(466,482)</b>	<b>-52%</b>	<b>961,300</b>	<b>38%</b>	<b>1,023,504</b>	<b>36%</b>	<b>(62,204)</b>	<b>-6%</b>
Profit (loss) from measuring the fair value - of the instrument	(10,224)	-0.3%	(58,407)	-1.4%	(48,184)	82%	(43,627)	-1.7%	(54,696)	-1.9%	(11,069)	20%
Finance revenue	39,000	1%	31,083	1%	7,917	25%	103,303	4%	92,268	3%	11,036	12%
Finance Costs	505,953	13.1%	315,598	7.5%	190,355	60%	481,065	18.8%	314,339	11.1%	166,726	53%
Share of profit (loss) of associates and joint vent.	512,173	13.3%	320,223	7.6%	191,950	60%	0	0.0%	0	0.0%	0	0%
<b>Profit (loss) before income tax expenses</b>	<b>464,297</b>	<b>12.0%</b>	<b>873,083</b>	<b>20.8%</b>	<b>(408,786)</b>	<b>-47%</b>	<b>539,911</b>	<b>21.1%</b>	<b>746,737</b>	<b>26.5%</b>	<b>(206,825)</b>	<b>-28%</b>
Tax income (expense)	(21,571)	0.6%	(59,868)	1.4%	38,297	64%	13,757	-0.5%	12,376	-0.4%	1,381	11%
<b>Profit (loss) for the period</b>	<b>442,726</b>	<b>11.5%</b>	<b>813,215</b>	<b>19.4%</b>	<b>(370,489)</b>	<b>-46%</b>	<b>553,668</b>	<b>21.6%</b>	<b>759,113</b>	<b>26.9%</b>	<b>(205,445)</b>	<b>-27%</b>

## Net profit

For operating results in 2023, net profit of the separate financial statements There was a net profit of 554 million baht or 22% of revenue. Part of the consolidated financial statements of Sena Group of Companies and subsidiaries There was a net profit of 443 million baht, or 11%, a **decrease of 370 million baht compared to the previous year's amount of 813 million baht. Because profits in 2022 include profits from accounting standard adjustments in the amount of 8 million baht and profits from the acquisition of SENX as a subsidiary in the amount of 213 million baht, it makes a difference of 46% when comparing profits in the same period. But if comparing the actual operating results excluding profits from the adjustments above. It will be found that the company's net profit Decreased from last year by 150 million baht, which was mainly due to higher financial costs due to the market interest rate increase situation.**

## Other income

In 2023, there was other income totaling 199 million baht, consisting of:

- 1) Profit from selling investments in 2 subsidiaries to form a new business structure by transferring to the SENX Management Group in the amount of 14 million baht,
- 2) interest income in the amount of 39 million



baht, and 3) other income of all business groups amounted to 146 million baht, a decrease of 62% or 325 million baht compared to the same period last year. Because in 2022 there are other main sources of income. From special accounting adjustments totaling 229 million baht, including 1) profit from bargaining over the purchase price of SENX Company in the amount of 212 million baht, 2) profit from loss of control in a subsidiary 8 million baht 3) profit from the sale of land 53 million baht and impairment loss from transferred assets of 22 million baht.

### **Selling and administrative expenses**

Selling expenses in 2023 amounted to 205 million baht, a decrease from 2022 of 79 million baht or 28%, mainly due to transfer fees. and the decrease in specific business taxes corresponds with the decrease in ownership transfer income. and a reduction in sales and advertising expenses at the company. The use of funds has been well planned to suit the sales and marketing strategy.

Administrative expenses in 2023 amounted to 671 million baht, a decrease of 160 million baht or 20% compared to the same period last year. The main reason is that in the period of 2022 there were expenses of SENX as a subsidiary company for not a full year (9 months) and the management of personnel expenses in line with the increased business expansion.

### **Corporate income tax**

In 2023, corporate income tax amounted to 22 million baht, consisting of current income tax payable of 38 million baht and deferred tax income of (16) million baht, a decrease of 38 million baht or 64 % compared to the same period last year. The lower taxes were mainly due to the operating results of the project management business due to higher costs as mentioned above. and decreased from the real estate business which comes from receiving special privileges from investment promotion and receive tax credits that have been deducted.

## Consolidated statement of financial position

Consolidated statement of financial position as of December 31, 2023 compared to December 31, 2022

Description	31 Demcember 2022	31 Demcember 2023	Increase/(Decrease)	
	MB	MB	MB	%
Total Assets	23,363	25,492	2,129	9%
Total Liabilities	13,411	15,225	1,814	14%
Shareholders' Equity of parent	7,897	8,175	278	4%
Non-Controlling interests	2,056	2,093	37	2%

### Total Assets

As of 31 December 2023, Sena and its subsidiaries had total assets of 25,492 million baht, consisting of current assets of 12,466 million baht and non-current assets of 13,026 million baht, an increase from 31 December 2022 of 2,129 million baht. The main items are explained as follows.

Inventories which consists of : Costs of real estate projects under development and land planned to be developed in 1 year, totaling 4,341 million baht, cost of projects ready for sale amounting to 1,246 million baht, cost of projects in the SENX group amounting to 3,671 million baht. and products available for sale from the service business group, another amount of 75 million baht. The cost of developing real estate for sale increased from the previous year by 583 million baht due to there being projects under development and accelerating construction to be completed in preparation for delivery. according to the transfer target plan and the increase in investment real estate that the company Bought land to start a warehouse business. It is under the METROBOX group, investing in joint venture companies.

### Total Liabilities

Total liabilities as of December 31, 2023 had total liabilities of 15,225 million baht, consisting of current liabilities of 7,894 million baht and non-current liabilities of 7,331 million baht, an increase of 1,814 million baht from as of December 31, 2022.

The Group has the ability to repay short-term debt at 1.58 times and the debt-to-equity ratio is 1.48 times. The net interest-bearing debt-to-equity ratio is 1.14 times, which is still able to maintain the



financial ratios as specified. Throughout the life of the bonds (Debt to Equity Ratio) of the consolidated financial statements is not more than 2.5 times.

### **Shareholders' Equity and Dividend Payments**

Shareholders' equity as of December 31, 2023 was equal to 10,267 million baht, an increase of 314 million baht from 9,953 million baht as of December 31, 2022, reflecting net profit and the ability to pay dividends to shareholders. The Company passed a resolution from the Board of Directors' meeting to pay dividends at the rate of 0.234214 baht per share, which is 81 % of the consolidated financial statements or 60 % of the separate financial statements. However, this still needs to be presented to the shareholder meeting for approval.

Please be informed accordingly.

Yours Sincerely,

(Mrs. Weraporn Chaisiriyasawat)

Deputy Managing Director and Secretary of the Company

SENA Developmet Public Company Limited