

SENX 010/2023

August 11, 2023

Subject: Management Discussion and Analysis Q2 2023

Dear Director and Manager,

The Stock Exchange of Thailand

SEN X Public Company Limited and its subsidiaries would like to report the operating results of the group for the period ended June 30, 2023 with the following details:

From the business restructuring of the company that will focus on the real estate business. in terms of Project management, Marketing management, Juristic person management, Including providing services in terms of sales and being a real estate agent, etc. In the second quarter of 2023, the Group had a net profit from operating results for the three-month period ended June 30, 2023, equal to baht 41.17 million, an increase of baht 123.55 million, from the same period last year. to 150.00% with a net loss from operations equal to baht 82.37 million. This net profit is a result of the restructuring of the business. This can be explained in the following table.

Table 1. Performance for the three-month and six-month periods ended June 30, 2023.

three-month periods				
million baht				
Consolidated financial statements	2023	2022	increase (decrease)	
			million baht	%
Revenue from sales of real estates	146.71	125.94	20.77	16.49
Revenue from rental and services	112.59	24.46	88.13	360.30
Profits from the sale of investment properties		37.20	(37.20)	(100.00)
Total revenues	259.30	187.60	71.70	38.22
Cost of sales of real estates	(102.98)	(99.47)	(3.51)	3.53
Cost of rental and services	(48.18)	(22.03)	(26.15)	118.70
Total cost	(151.16)	(121.50)	(29.66)	24.41
gross profit	108.14	66.10	42.04	63.60
Other income	17.57	19.22	(1.65)	(8.58)
Total expenses	(83.63)	(117.83)	34.20	(29.02)
Share of profit (loss) of joint ventures	(0.37)	(0.55)	0.18	(32.73)
Tax (expense) income	(0.53)	(49.31)	48.78	(98.93)
Profit (Loss) - Equity of the Company	41.15	(83.07)	124.22	(149.54)
Gross Profit - Real Estate Business	43.73	26.47	17.26	65.21
Gross Profit - Rental and Service Business	64.41	2.43	61.98	2,550.62
Gross Profit Margin - Real Estate Business	29.81	21.02	8.79	41.82
Gross Profit Margin- Rental and Service Business	57.21	9.93	47.27	475.84

six-month periods				
million baht				
Consolidated financial statements	2022	2021	increase (decrease)	
			million baht	%
Revenue from sales of real estates	282.54	256.53	26.01	10.14
Revenues from rental and services	201.36	34.64	166.72	481.29
Profits from the sale of investment properties		37.20	(37.20)	(100.00)
Total Revenue	483.90	328.37	155.53	391.43
Cost of sales of real estates	(200.49)	(173.17)	(27.32)	15.78
Cost of rental and services	(90.47)	(33.09)	(57.38)	173.41
Total cost	(290.96)	(206.26)	(84.70)	189.18
gross profit	192.94	122.11	70.83	580.61
other revenue	28.88	19.21	9.67	50.34
Total cost	(165.79)	(215.32)	49.53	(23.00)
Shareof profit and loss from associates	(1.28)	(3.10)	1.82	(58.71)
Income (expenses) income tax	(4.38)	(10.89)	6.51	(59.78)
Profit (Loss) - Equity of the Company	50.47	(84.03)	134.50	(160.06)
Gross Profit - Real Estate Business	82.05	83.36	(1.31)	(1.57)
Gross Profit - Rental and Service Business	110.89	1.55	109.34	7,054.19
Gross Profit Margin - Real Estate Business	29.04	32.50	(3.46)	(10.63)
Gross Profit Margin- Rental and Service Business	55.07	4.47	50.60	1,130.74

Net Profit (Loss) - Attributable to the Company

For the second quarter of 2023, the group had a net profit - attributable to the company equal to baht 41.15 million, an increase of baht 124.22 million compared to the same period last year that had a net loss - attributable to the company equal to baht 83.07 million, or 149.54% resulting in the group's net profit - attributable to the company for the six-month period equal to baht 50.47 million, an increase from the same period of the last year equal to baht 134.50 million with a net loss attributable to the company equal to baht 84.03 million. accounted for 160.06%

Total Revenue

For the second quarter of 2023, the group had a total revenue of baht 259.30 million, an increase of baht 71.70 million or 38.22% compared to the same period last year with a total revenue of baht187.60 million, classified by business type as follows: revenue from real estate sales was baht 146.71 million, an increase of baht 20.77 million or 16.49%. Revenue from rental and service was baht 112.59 million an increase from the second quarter of 2022, equal to baht 88.13 million, or 360.30%, divided by type. of revenue from rental and services as follows: Revenue from marketing management was baht 50.51 million, project management revenue was baht 8.40 million, revenue from juristic person management was baht 38.93 million, commission revenue was baht 7.65 million and rental and service revenue equal to baht 2.10 million. In the second quarter of 2022, the group company had a profit from the sale of investment properties of baht 37.20 million but if including only the main revenue of the group, it can be seen that the group had an increase in revenue from the second quarter of 2022 baht 109.26 million or 72.65%

For the six-month period, the group had accumulated total revenue of baht 483.90 million, an increase from the same period of the last year of baht 155.53 million or 391.43% with a total revenue

of baht 328.37 million divided by business type as follows: revenue from real estate sales was baht 282.54 million, an increase of baht 26.01 million from the same period last year, or 10.14%. revenue from rental and services was baht 201.36 million an increase of baht 166.72 million or 481.29%, and divided by type. of revenue from rental and services are as follows: Revenue from marketing management baht 90.75 million revenue from project management baht 17.10 million juristic person management revenue baht 74.86 million. Commission revenue baht 15.65 million and revenue from rental and service baht 3.0 million.

Table 2. Revenue data classified by real estate business products Accumulated six-month period ended June 30, 2023.

Consolidated financial statements	million baht			
	2023		2022	
	amount	%	amount	%
commercial building	54.40	19.25	11.64	9.24
condominium	40.35	14.28	43.59	34.61
townhouse	141.00	49.90	26.81	21.29
Twin-detached house	46.81	16.57	43.91	34.86
Land and land improvements	0.00	-	0.00	-
Total	282.56	100.00	125.95	100.00

Total cost of sales

For the second quarter of 2023, the Group company had a total cost of sales of baht 151.16 million an increase of baht 29.66 million or 24.41% compared to the same period last year with a total cost of sales baht 121.50 million. The group company had the total cost of sales baht 102.98 million an increase of baht 3.51 million baht or 3.53% of the same period last year with the cost of real estate sales equal to baht 99.47 million and the cost of renting and services of baht 48.18 million an increase of baht 26.15 million or 118.70% of the same period of baht 22.03 million baht can be divided by types of costs from rental and services as follows: The cost of marketing management was baht 14.39 million or 25.92% of marketing management revenue. Cost of project management is baht 2.47 million or 29.37% of project management revenue. Cost of juristic person management baht 25.24 million, accounting for 64.85% of juristic person management revenue. The commission cost was baht 3.32 million or 43.35% of commission revenue and the cost of rental and service was baht 2.77 million baht or 131.71% of rental and service revenue.

For the six-month period, the group company had a total cost of baht 290.96 million an increase of baht 84.70 million or 189.18% compared to the same period last year with a total cost of baht 206.26 million, divided by business type as follows: The cost of real estate sales was baht 200.49 million an increase of baht 27.32 million or 15.78%. The cost of rental and services was baht 90.47 million an increase of baht 57.38 million or 173.41%, and can be divided by type of cost of rental and services. as follows. The cost of marketing management is baht 18.14 million or 20.00% of marketing management revenue. Cost of project management is baht 5.74 million or 33.57% of project management revenue. Cost of juristic person management baht 55.21 million or 73.75% of juristic person management revenue. Cost of commission baht 7.16 million, or 45.74%, and the cost of rental and service was baht 4.22 million or 140.74% of rental and service revenue. The reason for the higher proportion of rental and service costs than revenue is the result of depreciation of investment properties for revenue generation. From the overall picture of the cost of sales, it can be seen that the Group can better manage the cost of sales.

Gross profit

For the second quarter of 2023, the Group company had a total gross profit of baht 108.14 million an increase of baht 42.04 million or 63.60% compared to the same period last year with a total gross profit of baht 66.10 million from the sale of real estate equal to baht 43.73 million an increase of baht 17.26 million or 65.21% of the same period last year with a gross profit of real estate equal to baht 26.47 million and gross profit from rental and services amounting to baht 64.41 million an increase of baht 61.98 million with gross profit from rental and services from the same period last year equal to baht 2.43 million. Gross profit from rental and services can be divided as follows: The gross profit from marketing management was baht 41.12 million, or gross profit margin of 74.08% of the marketing management revenue. Gross profit from project management is baht 5.93 million representing a gross profit margin of 70.63% of project management revenue. Gross profit from juristic person management baht 13.68 million, representing a gross profit margin of 35.15% of juristic person management revenue. Gross profit from commission was baht 4.33 million or gross profit margin of 56.65%, and gross loss from rental and service was baht 0.67 million or 31.71% of rental and service revenue.

For the six-month period, the Group's total gross profit was baht 192.94 million an increase of baht 70.83 million or 580.61% compared to the same period last year with total gross profit of baht 122.11 million. Real estate sales were baht 82.05 million a decrease of baht 1.31 million or 1.57% of the same period last year with a gross profit of real estate equal to baht 83.36 million and a gross profit from rental and services of baht 110.89 million an increase of baht of the same period last year baht 109.34 million with gross profit from rental and services from the same period last year equal to baht 1.55 million gross profit from rental and services can be divided as follows: The gross profit from marketing management was baht 72.61 million representing a gross profit margin of 80.01% of the marketing management revenue. Gross profit from project management was baht 11.36 million or a gross profit margin of 66.43% of project management revenue. Gross profit from juristic person management baht 20.90 million or 27.92% of juristic person management revenue. Gross loss from commission is baht 8.50 million or 50.26% and gross loss from rental and service is baht 1.22 million or 40.74% of rental and service revenue. For this rental and service business, it will be able to make a good gross profit for the group of companies. because the proportion of cost of sales is much lower than that of real estate business.

Total expenses

The group company has total expenses for the second quarter of 2023 equal to baht 83.63 million, a decrease of baht 34.20 million or 29.02% compared to the same period last year with total expenses equal to baht 117.83 million divided into selling expenses baht 11.04 million or 3.99% of total revenue, decrease baht 5.38 million, or 33% compared to the same period last year with sales expenses of baht 16.42 million and when compared to sales, it can be seen that the proportion Decreased from the last year equal to 5.51% and administrative expenses equal to baht 57.48 million or 20.76% of total revenue and decreasing from the same period last year baht 5.38 million or 32.77% Financial costs baht 15.11 million or 5.46 % of total revenue resulting in total expenses for the six-month period equal to baht 165.79 million a decrease of baht 49.53 million or 23.00% compared to the same period last year with total expenses equal to baht 215.32 million divided into Selling expenses were baht 26.37 million or 5.14% of total revenue and administrative expenses were baht 106.05 million or 20.68% of total revenue and decreased from the same period last year equal to baht 8.53 million or 7.45%. Finance baht 33.39 million or 6.51% of total revenue, which can be seen that the group company can manage and control total expenses much better than last year.

Table 3 Statement of financial position as of June 30, 2023

million baht				
Consolidated financial statements	2023	2022	increase (decrease)	
			million baht	%
Total Asset	5,463.52	5,889.92	(426.40)	(7.24)
Total Liability	1,736.66	2,186.56	(449.90)	(20.58)
Total Equity	3,726.85	3,703.36	23.49	0.63

Total assets

As of 30 June 2023, the amount was baht 5,463.52 million. Decrease of baht 426.40 million or 7.24% of total assets as of 31 December 2022 that amounted to baht 5,889.92 million. The main reason for the decrease was cash and cash equivalents of baht 440.40 million. which the company repaid loans to financial institutions and the same business group. Including loans to the same group in the amount of baht 53.55 million and payment for purchases of goods for project development in the amount of baht 30.01 million.

Total liabilities

As of June 30, 2023, the amount was baht 1,736.66 million a decrease from December 31, 2022 by baht 449.90 million or 20.58% of total liabilities as of December 31, 2022, which was equal to baht 2,186.56 million. Repayment of loans from related parties of baht 461.87 million and loans from financial institutions of baht 40.42 million.

Equity

As of 30 June 2023, the Group had shareholders' equity of baht 3,726.85 million an increase from 31 December 2022 by baht 23.49 million or 0.63% with shareholders' equity of baht 3,703.36 million as at June 30, 2023. The Company acquired some subsidiaries from the parent company. Therefore, the financial statements as of December 31, 2022 must be adjusted to show the former shareholders' equity before the business combination under the same business in the amount of baht 18.28 million baht and when combined with the net profit for the six-month period ended June 30, 2023 in the amount of baht 50.35 million, resulting in the group company still having accumulated losses equal to baht 263.93 million and in the second quarter of 2023, the company has adjusted the accumulated losses of the separate financial statements in the amount of baht 158.61million to compensate for the premium on ordinary shares already.

Cash flow statement

For the six-month period ended June 30, 2023

million baht		
consolidated financial statements	2023	2022
Net cash provided by (used in) operating activities	98.19	(283.23)
Net cash provided by (used in) investing activities	5.14	243.75
Net cash provided by (used in) financing activities	(550.49)	138.12
Cash and cash equivalents net increase (decrease)	447.16	98.64
Cash and cash equivalents at the end of the period	332.97	109.86

The Group's cash flow was baht 332.97 million an increase of baht 223.11 million from the same period last year with a cash flow of baht 109.86 million classified by activities as follows:

Cash flow from operating activities

The Group's cash flow from operating activities amounted to baht 98.19 million an increase of baht 381.42 million from the last year. With cash flow used in equal to baht 283.23 million which the main items Arising from the purchase of goods of baht 22.58 million to develop the project during the period. resulting in an increase in trade payables of baht 52.30 million and a return from trade receivables of baht10.14 million.

Cash flows from investing activities

The Group's cash flow from investing activities amounted to baht 5.14 million a decrease of baht 238.61 baht from the same period last year. Subsidiaries in the amount of baht 25.67 million and paid for the purchase of a joint venture of baht 12.65 million and paid for the purchase of intangible assets in the form of new business applications in the amount of baht 10.1 million.

Cash flows from financing activities

The Group's cash flow used in financing activities was baht 550.47 million. The company paid loans to related companies in the amount of baht 464.50 million and paid loans from financial institutions in the amount of baht 142.75 million, and paid interest in the amount of baht 42.50 million. The financing activities were used more than the same period last year by baht 688.61 million.

Best regards,

Miss Suporn Triwichayapong

Chief Financial Officer