

SENAJ 014/2566

12 May 2023

Subject : Management Discussion and Analysis of the first quarter 2023 ended 31 March 2023

Attn. : Director and Manager

The Stock Exchange of Thailand

Sena J Property Public Company Limited and its subsidiaries Request a report the performance of the group of companies. ended March 31, 2023 with details as follows:

From the business restructuring of the company that will focus on the real estate business in the first quarter of 2023, the company has acquired Victory Management Service Co., Ltd. (residential project juristic person management business) and Acute Realty Co., Ltd. (real estate brokerage business) resulted in the group of companies recognizing revenue from rental and service business in this quarter. The Group's net profit from operating results for the three-month period ended March 31, 2023 was baht 9.18 million, an increase of baht14.85 million from the same period last year, representing 261.78% with a net loss from operations equal to baht 5.67 million.

Table 1 Performance for the three-month period ended March 31, 2023

Consolidated financial statements	2023	2022	three-month periods	
			increase (decrease)	
			million baht	%
Revenue from sales of real estates	135.83	130.59	5.24	4.01
Revenue from rental and services	88.77	10.18	78.59	772.00
Total revenues	224.60	140.77	83.83	59.55
Cost of sales of real estates	97.51	73.70	23.81	32.31
Cost of rental and services	42.29	11.07	31.22	282.02
Total cost	139.80	84.77	55.03	64.92
gross profit	84.80	56.00	28.80	51.43
Other income	11.30	(0.01)	11.31	(113,100.00)
Total expenses	82.17	97.55	(15.38)	(15.77)
Share of profit (loss) of joint ventures	(0.90)	(2.54)	1.64	(64.57)
Tax (expense) income	(3.85)	38.43	(42.28)	(110.02)
Profit (Loss) - Equity of the Company	9.32	(0.96)	10.28	(1,070.83)
Gross Profit Margin - Real Estate Business	28.21	43.56	(15.35)	
Gross Profit Margin- Rental and Service Business	52.36	(8.74)	61.10	

Net Profit (Loss) - Attributable to the Company

For the first quarter of 2023, the Group had a net profit - attributable to the Company equal to baht 9.32 million, an increase of baht 10.28 million compared to the same period last year that had a net loss - attributable to the company equal to baht 0.96 million, representing 1,070.83%

Total revenue

For the first quarter of 2023, the group had total revenues of bath 224.60 million, an increase of baht 83.83 million or 59.55% compared to the same period last year with total revenues of baht 140.77 million. The Group had revenues from sales of real estate of baht 135.83 million, an increase of baht 5.24 million or 4.01% compared to the 1st quarter of 2022 and the group had revenues from the rental and services business of baht 88.77 million. An increase from the 1st quarter of 2022, equal to baht 78.59 million, or 772%. The group can classify revenues from rental and services as follows: Marketing management revenues was baht 35.24 million and project management revenues was baht 8.7 million, juristic person management revenues was baht 35.93 million and commission revenues was baht 8.00 million and rental and service revenues. equal to baht 0.90 million.

Table 2 Revenue information classified by product of real estate business segment.

Consolidated financial statements	million baht			
	2023		2022	
	amount	%	amount	%
commercial building	42.58	31.35	0.00	-
condominium	17.05	12.55	36.88	28.24
townhouse	49.15	36.18	52.52	40.22
Twin-detached house	27.05	19.91	41.19	31.54
Total	135.83	100.00	130.59	100.00

Total cost of sales

For the first quarter of 2023, the Group had a total cost of sales of baht 139.80 million, an increase of baht 55.03 million or 64.92% compared to the same period last year with a total cost of baht 84.77 million. The Group's cost of real estate sales was baht 97.51 million, an increase of baht 23.81 million or 32.31% compared to the 1st quarter of 2022. As a result of the reduction in real estate value of baht 38.82 million, the Group realized lower cost of sales. If excluding these items, in the 1st quarter of 2022, there would be cost of sales equal to baht 112.52 million compared to the 1st quarter of 2023, it could be seen that the group's cost of sales decreased from the same period last year equal to baht 15.01 million or accounted for 13.34%

The cost of rental and service business of the Group was baht 42.29 million or 47.64% of rental and service income. The cost of this rental and service business Increased from the first quarter of 2022, equal to baht 31.22 million, representing 282.02%, divided by type of cost from rental and services as follows: The cost of marketing management is baht 3.75 million or 10.65% of marketing management revenue. Cost of project management is baht 3.28 million or 37.65% of project management income. Cost of juristic person management baht 29.96 million or 83.39% of juristic person management income. And the commission cost was baht 3.84 million or 48.03% and the cost of rental and service was baht 1.45 million.

Gross profit

In the first quarter of 2023, the Group had a gross profit from real estate business equal to baht38.32 million, which increased from the same period of the last year equal to baht 20.25 million with a gross profit of baht 18.07 million (excluding loss on real estate value devaluation). And the gross profit margin for the first quarter of 2023 and the first quarter of 2022 was 28% and 14% respectively.

Gross profit for rental and service business was 50.17 million baht or 56.52% of rental and service revenue. The gross profit can be divided by type as follows: Gross profit from marketing management was baht 31.48 million, gross profit from project management was baht 5.42 million, gross profit from juristic person management was baht 9.66 million, and gross profit from commission revenue was baht 4.16 million. The gross profit margin of each type of rental and service revenue is 89.35%, 62.35% , 26.88% and 51.97% respectively.

Total expenses

The company's total expenses for the first quarter of 2023 were baht 82.17 million, a decrease of baht 15.38 million or 15.77% compared to the same period last year that had total expenses of baht 97.55 million. Manage and control total expenses better.

Table 3 Financial position and Liquidity as of March 31,2023 and 2022.

Consolidated financial statements	2023	2022	million baht	
			increase (decrease)	
			million baht	%
Total Asset	5,412.38	5,889.92	(477.54)	(8.11)
Total Liability	1,725.05	2,186.56	(461.51)	(21.11)
Total Equity	3,687.33	3,703.36	(16.03)	(0.43)

Total assets

As of March 31, 2023, the amount was baht 5,412.38 million, a decrease from December 31, 2022 by baht 477.54 million or 8.11% with total assets of baht 5,889.92 million, the main cause of the decrease in cash and cash equivalents was baht 433.22 million. Which the company repaid loans to financial institutions and the same business group. Including lending to the same group in the amount of baht 53.55 million.

Total liabilities

As of March 31, 2023, the amount was baht 1,725.05 million, a decrease from December 31, 2022 by baht 461.51 million or 21.11% with total liabilities of baht 2,186.56 million, mainly due to a decrease in loans from related parties. baht 414.5 million and loans from financial institutions baht 52.70 million.

Equity

As of March 31, 2023, the Group had shareholders' equity of baht 3,687.33 million, a decrease from December 31, 2022 by baht 16.03 million or 0.43% with shareholders' equity equal to baht 3,703.36 million as of the 31st. March 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 and when combined with the net profit for the three-month period ended March 31, 2023 in the amount of baht 9.32 million, resulting in the group company still having accumulated loss equal to baht 463.69 million.

cash flow statement

For the three-month period ended March 31, 2023

consolidated financial statements	million baht	
	2023	2022
Net cash provided by (used in) operating activities	31.59	(9.01)
Net cash provided by (used in) investing activities	19.96	(28.53)
Net cash provided by (used in) financing activities	(491.54)	55.88
Cash and cash equivalents net increase (decrease)	(439.98)	18.33
Cash and cash equivalents at the end of the period	340.15	56.87



The company's cash flow was baht 340.15 million, an increase from the same period of the last year by baht 283.28 million with cash flow equal to baht 56.87 million, classified by activities as follows:

Cash flow from operating activities

The Group's cash flow from operating activities amounted to baht 31.59 million, an increase of baht 40.60 million from the last year with cash flow used in equal to baht 9.01 million.

Cash flows from investing activities

The Group's cash flow from investing activities amounted to baht 19.96 million, an increase of baht 48.50 million from the same period last year. Subsidiaries in the amount of baht 25.67 million and paid to purchase a joint venture in the amount of baht 9.49 million.

Cash flows from financing activities

The Group's cash flow used in financing activities was baht 491.54 million. The company repaid loans to related companies in the amount of baht 414.50 million, repaid loans from financial institutions in the amount of baht 61.25 million, and paid interest in the amount of baht 23.91million. The financing activities were used more than the same period last year by baht 547.42 million.

Best regards

Miss Suporn Treewichayapong

Chief Financial Officer