

No. J60/013

9 August 2017

Subject: Management Discussion and Analysis, 2<sup>nd</sup> Quarter Ending 30 June 2017  
To: President  
The Stock Exchange of Thailand

Pursuant to JAS Asset Public Company Limited (the “Company”) Meeting Resolution No. 6/2017 on 9 August 2017, the resolution to certify the Company’s financial statements and performance for the second quarter ending 30 June 2017 which has already been reviewed by the Company’s auditor can be summarized as follows:

The Company’s performance for the second quarter in 2017 showed a net profit of 6.09 million baht, which was lower than the second quarter in 2016 at 12.3 percent. And the Company’s net profit margin stood at 3.20 percent. The Company’s performance for the six-month period for 2017 showed a net profit of 2.07 million baht lower than the sixth-month period for 2016 by 88.5 percent which results the company 6-month net profit margin was 0.58%. The reason for the Company’s lower net profit was due to an increasing in rental and services expenses, selling expenses and financial cost. Thus, the details of the Company’s performance are explained as follows:

#### **Rental and Services Income**

Rental and service income for the second quarter in 2017 was equal to 179.15 million baht higher than the second quarter of 2016 at 30.68 percent. While Rental and service income for the 6 month period of 2017 was 357.3 million Baht which higher than the same period last year of 2016 at 81.11 million or 28.90%. The reason was due to the Company’s perceived a higher income from The Jas Urban Srinakarin Project and the increasing of IT Junction branches.

#### **Cost of Rental and Service Income**

The Company incurred rental and service costs for the second quarter of 2017 equal to 140.61 million baht more than the second quarter of 2016 at 31.11 percent. Whereas cost of Rental and Service Income for 6 month end of 2017 equal to 281.04 million Baht or increase 67.66 million

Baht or 31.71% from the same period last year. This was because an increasing in the rental cost and management expenses for The Jas Urban Srinakarin Project.

### Gross Profit

The Company had gross profit for the second quarter of 2017 equal to 38.54 million baht which represent gross profit margin of 21.51%. The gross margin profit for the second quarter of 2017 is slightly lower than the same period last year. However, the gross margin for six months of 2017 was 76.32 million baht which represent gross profit margin of 21.36% and lower than the same period last year.

### Service and Administrative Expenses

The Company had service and administrative expenses for the second quarter of 2017 equal to 30.51 million baht, which was 61.01 percent higher than the second quarter of 2016. For 6 month end of 2017, the service and administrative expenses was 66.94 million Baht or increase 75.60%. Most of the added expenses were due to expenses incurred in marketing expenses and employee expense from business segment expansion.

### Summary of Financial Statement of Positions

	30-Jun-17	31-Dec-16	Change	%Change
<b>Assets</b>				
Cash and Cash Equivalent	49.25	70.06	-20.81	-29.70%
Trade and Other Receivables	56.19	33.54	22.65	67.53%
Property Development Cost	209.06	96.48	112.58	116.69%
Investment Properties	506.79	507.30	-0.51	-0.10%
Leasehold Right and Building	1,311.90	1,260.91	50.99	4.04%
Deposit	135.01	134.08	0.93	0.69%
<b>Total Assets</b>	<b>2,429.80</b>	<b>2,264.92</b>	<b>164.88</b>	<b>7.28%</b>
<b>Liabilities and Shareholders' Equity</b>				
OD and Short-term Loan	70.00	13.28	56.72	427.11%
Trade and other payable	110.24	140.21	-29.97	-21.37%
Long-term Loan - Current portion of Long term Loan	95.33	73.76	21.57	29.24%
Short-term Loan	372.18	386.48	-14.30	-3.70%

Long-term loan - Net	701.90	760.15	-58.25	-7.66%
Deposit received from Lessees	143.94	147.74	-3.80	-2.57%
<b>Total Liabilities</b>	<b>1,701.83</b>	<b>1,539.42</b>	<b>162.41</b>	<b>10.55%</b>
<b>Shareholder's Equity</b>	<b>727.97</b>	<b>725.50</b>	<b>2.47</b>	<b>0.34%</b>

### Assets

As of the period ending 30 June 2017, the Company had total assets equal to 2,429.80 million baht more than 2016 equal to 164.88 million baht or 7.28% percent due to the Company invested in land for development for sale.

### Liabilities & Shareholder's Equity

As for the period ending 30 June 2017, the Company had total liabilities equal to 1,701.83 million baht more than 2016 equal to 162.41 million baht or 10.55 percent due to an increasing short-term debt, while shareholders' equity equal to 727.97 million baht. The Company debt to equity ratio stood at 2.34 times and the interest bearing-debt to equity ratio is 1.93 times.

Thus, you have been informed for your acknowledgement.

Sincerely Yours,

(Ms.Jutamas Aroonsawas)

Company Secretary