

Ref: J60/017

9 November 2017

Subject: Management Discussion and Analysis, 3rd Quarter Ending 30 September 2017
To: President
The Stock Exchange of Thailand

Pursuant to JAS Asset Public Company Limited (the “Company”) Board of Meeting No.7/2017 on 9 November 2017, the resolution to certify the Company’s financial statements and performance for the third quarter ending 30 September 2017 which has already been examined by the Company’s auditor can be summarized as follows:

The Company’s performance for the 3rd quarter in 2017 exhibited a net loss of 6.2 million baht, which was lower than the 3rd quarter in 2016 that has net loss of 0.03 million baht. The Company’s performance for the 9-month period for 2017 showed a net loss of 4.1 million baht lower than the 9-month period for 2016 by 134.5 percent. The reason for the Company’s lower net profit was due to an increasing in cost of rental and services, higher selling expenses and financing cost. Thus, the details of the Company’s performance are explained as follows:

Rental and Service Income and Other Income

Rental and service income and other income for the 3rd quarter in 2017 totaling were 179.9 million baht more than the 3rd quarter of 2016 at 44.3 percent. For 9-month period in 2017, the rental and service income and other income were 537.2 million baht which increase from the same period of 2016 of 33.7%. This was because an increasing in revenues from the Jas Urban Srinakarin and during the 3rd quarter of 2017 the Company diversifies its business to have more revenues from food and beverage by acquire new subsidiary Bean and Brown Co., Ltd.

Cost of Rental and Service Income

The Company incurred rental and service costs for the 3rd quarter of 2017 equal to 144.2 million baht more than the 3rd quarter of 2016 at 3.59 percent. For 9-months period of 2017 the rental

and services costs was 425.3 million baht which increased from the same period last year of 31.1 percent. This was because cost incur from rental new project the Jas Urban Srinakarin.

Gross Profit

The Company had gross profit for the 3rd quarter of 2017 equal to 37.3 million baht that was 159.2 percent higher than the 3rd quarter of 2016. For 9-months period of 2017, the gross profit was 115.1 million baht which increased from the same period last year of 48.6% due to the higher in revenues in new shopping mall project, the Jas Urban.

Service and Administrative Expenses

The Company had service and administrative expenses for the 3rd quarter of 2017 totally equal to 34.1 million baht, which was 68.6% higher than the 3rd quarter of 2016. For 9 months period of 2017 the service and administrative expense was 96.8 million baht which increased 65.9% from the same period last year. Most of increasing expenses were due to expenses incurred in sales promotions in new project both shopping mall and condominium and staff remuneration increase from business segment expansion.

Summary of Financial Statement of Position

	As of 30 Sep 2017		As of 31 Dec 2016		Change	
	MB.	%	MB.	%	MB.	%
Assets						
Cash and cash equivalents	17.8	0.7%	70.1	3.1%	-52.3	-74.6%
Trade and other receivables	40.0	1.6%	33.5	1.5%	6.5	19.4%
Property development costs	222.2	9.0%	96.5	4.3%	125.7	130.3%
Total current assets	306.3	12.4%	230.8	10.2%	75.5	32.7%
Investment property	512.9	20.7%	507.3	22.4%	5.6	1.1%
Property and equipment	154.4	6.2%	126.6	5.6%	27.8	22.0%
Leasehold rights and buildings	1,327.8	53.7%	1,260.9	55.7%	66.9	5.3%
Deposits	136.6	5.5%	134.1	5.9%	2.5	1.9%
Total non-current assets	2,165.9	87.6%	2,034.1	89.8%	131.8	6.5%
Total Assets	2,472.1	100.0%	2,264.9	100.0%	207.2	9.1%
Liabilities and Shareholder's Equity						
Trade and other payables	134.2	5.4%	140.2	6.2%	-6.0	-4.3%

	As of 30 Sep 2017		As of 31 Dec 2016		Change	
	MB.	%	MB.	%	MB.	%
Current portion of long-term loans	105.3	4.3%	73.8	3.3%	31.5	42.7%
Short-term loans	99.0	4.0%	386.5	17.1%	-287.5	-74.4%
Total current liabilities	423.8	17.1%	629.8	27.8%	-206.0	-32.7%
Long-term loans - net	673.5	27.2%	760.2	33.6%	-86.7	-11.4%
Debentures	266.9	10.8%	-	0.0%	266.9	100%
Deposits received from lessees	143.6	5.8%	147.7	6.5%	-4.1	-2.8%
Total non-current liabilities	1,089.6	44.1%	909.7	40.2%	179.9	19.8%
Total Liabilities	1,513.3	61.2%	1,539.4	68.0%	-26.1	-1.7%
Total Shareholder's Equity	958.8	38.8%	725.5	32.0%	233.3	32.2%

Assets

As of the period ending 30 September 2017, the Company had total assets equal to 2,472.1 million baht more than the end of 2016 equal to 207.2 million baht or 9.1 percent due to a higher in Property development costs from new condominium project.

Liabilities & Shareholder's Equity

As for the period ending 30 September 2017, the Company had total liabilities equal to 1,513.3 million baht less than 2016 equal to 26.1 million baht or 1.7 percent due to the Company repay debt and extend debt structure by issuing more long-term loan in debentures to match with project return of the Company, whereas shareholders' equity increased 958.8 million baht. An increasing of Shareholder's Equity stems from share premium increase from right offering capital increasing. The Company debt to equity ratio stood at 1.57 times and interest bearing debt to equity ratio was 1.26 times which decline from the ending of the year 2016.

Thus, you have been informed for your acknowledgement.

Sincerely Yours,

- *Singed* -

(Mr. Suphot Wanna)

Chief Executive Officer