

- Translation -

IR61/006

10 May 2018

Subject: Management Discussion and Analysis, 1st Quarter Ending 31 March 2018
 Attention: President
 The Stock Exchange of Thailand

Regarding to JAS Asset Public Company Limited (“the Company”) Board of Meeting No.2/2018 on 10 May 2018, the resolution to certify the Company’s financial statement and performance for the first quarter ending 31 March 2018 which has already been examined by the Company’s auditor can be summarized as follows:

The Company’s performance for the first quarter in 2018 shows a net profit of 0.4 million baht, which was higher than the same period from previous year that reported net profit of 4.0 million baht. This was because an the Company focus on operating margin to enhance net profit margin in its core business and revenues from Synergy among Jaymart Group of Company. Moreover, the Company was able to increase other revenues – food and beverage business and sale of property - and received more sale promotion support from supplier. Thus, the details of the Company’s performance are explained as follows;

	Q1/2017		Q1/2018		Change	
	MB.	%	MB.	%	MB.	%
Rental and Service Income	178.2	100.0%	163.7	91.9%	-14.5	-8.1%
Total Revenues	178.2	100.0%	178.2	100.0%	0	0.0%
Cost of Rental and Service	140.4	78.8%	139.4	78.2%	-1	-0.7%
Gross Profit	37.8	21.2%	29.7	16.7%	-8.1	-21.5%
Other Incomes	7.7	4.3%	17.2	9.7%	9.5	123.4%
Earning before Expenses	45.4	25.5%	46.9	26.3%	1.5	3.3%
Sale and Services Expenses	21.9	12.3%	22.3	12.5%	0.4	1.8%
Administrative Expenses	14.5	8.1%	14.7	8.2%	0.2	1.4%
Total Expenses	36.4	20.4%	37.1	20.8%	0.7	1.9%
Earnings Before Interest and tax	9	5.1%	9.8	5.5%	0.8	8.9%
Finance Cost	12.9	7.2%	13.3	7.5%	0.4	3.1%

	Q1/2017		Q1/2018		Change	
	MB.	%	MB.	%	MB.	%
Tax	-0.1	-0.1%	3	1.7%	3.1	-3,100.0%
Net Profit attribute to Shareholders (Loss)	-4.0	-2.2%	0.4	0.2%	4.4	-8.1%

Rental and Service Income and Other Income

Rental and Service income for the first quarter in 2018 was 163.7 million Baht less than the first quarter of 2017 at 8.1%. A declining in rental and service income was because the Company closed down some branches which the performance was not in the target. Currently, as of Q1/2018, the Company owned 51 IT Junction. For the first quarter of 2018 the Company's total revenues was 178.2 million Baht. Moreover, there were other revenues, mainly from promotion support, amount of 17.2 million Baht.

Cost of Rental and Services

The Company's rental and services costs for the first quarter in 2018 was 139.4 million Baht less than the first quarter of 2017 at 0.7%. The decreasing of cost of rental and services was mainly from rental cost reducing from shop closed down. However, the Company incurred more cost from food and beverage business and cost of sale property business amount of 9.0 million Baht.

Gross Profit

The Company had gross profit for the first quarter of 2018 29.7 million Baht which was lower than the same period last year 30% due to the reduction of rental and service revenues.

Service and Administrative Expenses

The Company had service and administrative expenses for the first quarter of 2018 equal to 37.0 million Baht, an increasing from the first quarter in 2017 1.6%. Major components of an increasing in employee remuneration and selling expenses from the business expansion.

Summary of Financial Statement of Positions

	31 Dec 2017		31 Mar 2018		Change	
	MB.	%	MB.	%	MB.	%
Cash and cash equivalents	6.0	0.2%	14.4	0.6%	8.3	137.9%
Trade and other receivables	39.0	1.6%	51.9	2.1%	12.9	33.1%
Property development costs	243.9	9.8%	242.9	9.7%	-1.0	-0.4%
Other current asset	23.4	0.9%	28.9	1.2%	5.5	23.5%

	31 Dec 2017		31 Mar 2018		Change	
	MB.	%	MB.	%	MB.	%
Total current asset	312.2	12.5%	338.0	13.5%	25.7	8.2%
Investment Property	520.3	20.8%	520.7	20.8%	0.4	0.1%
Equipment	151.7	6.1%	147.2	5.9%	-4.5	-3.0%
Leasehold rights and buildings	1,330.8	53.3%	1,316.1	52.5%	-14.7	-1.1%
Advance for construction work	136.8	5.5%	139.3	5.6%	2.5	1.8%
Other Non-current asset	44.4	1.8%	47.3	1.9%	2.9	6.5%
Total Non-current asset	2,184.0	87.5%	2,170.6	86.5%	-13.4	-0.6%
Total Assets	2,496.2	100.0%	2,508.5	100.0%	12.3	0.5%
Bank overdrafts and short-term loans	76.3	5.0%	70.0	4.5%	-6.3	-8.3%
Trade and other payables	123.6	8.1%	125.6	8.2%	2.0	1.6%
Current portion of long-term loans	115.4	7.6%	118.7	7.7%	3.3	2.9%
Short-term loan	39.6	2.6%	79.5	5.2%	39.9	100.8%
Long-term loans - net of current portion	644.8	42.2%	615.6	40.0%	-29.2	-4.5%
Deposits received from lessees	138.7	9.1%	134.6	8.7%	-4.1	-3.0%
Total Non-current liabilities	1,151.8	75.4%	1,118.1	72.6%	-33.7	-2.9%
Total Liabilities	1,527.2	100.0%	1,540.0	100.0%	12.8	0.8%
Total Shareholders' Equity	969.0	100.0%	953.4	100.0%	-15.6	-1.6%

Assets

As for the period ending 31 March 2018, the Company had total assets equal to 2,508.5 million Baht more than the end of 2017 equal to 0.5% or an increasing of 13 mainly due to the increase of Trade and other receivables.

Liabilities and Shareholder's Equity

As for the period ending 31 March 2018, the Company had total liabilities equal to 1,540.0 million Baht increasing from the ending 2017 equal to 13 due to the Company incurred more short-term loan. Whereas the Company's shareholder's equity stood at 969.0 million Baht, slightly decrease from the end of 2017. The Company's debt to equity ratio was 1.59 times while the interest bearing debt to equity ratio was 1.29 times.

Forward Looking

The Company pursue on the Synergy Strategy among Jaymart Group of Company under the principle of good corporate governance policy. The revenues from selling asset tend to increase particularly from business collaboration within Jaymart Group. Moreover, the food and beverage business under Brand “CASA Lapin” and “Rabb Coffee” has its plan to expand branches toward potential area. The Company is expect to get higher income from this business as well.

Thus, you have been informed for your acknowledgment.

Sincerely Yours,

-Singed-

(Mr. Suphot Wanna)
Chief Executive Officer

Investor Relations Department
JAS Asset Public Company Limited