

- Translation -

No. J61/009

8 August 2018

Subject: Management Discussion and Analysis, 2<sup>nd</sup> Quarter Ending 30 June 2018  
To: President  
The Stock Exchange of Thailand

Pursuant to JAS Asset Public Company Limited (the “Company”) Meeting Resolution No. 4/2018 on 8 August 2018, the resolution to certify the Company’s financial statements and performance for the second quarter ending 30 June 2018 which has already been reviewed by the Company’s auditor can be summarized as follows:

The Company’s performance for the second quarter in 2018 showed a net loss of 14.6 million baht, which was lower than the second quarter in 2017 at 339.2 percent. The Company’s performance for the six-month period for 2018 showed a net loss of 14.2 million baht lower than the sixth-month period for 2017 by 12.7 percent. The reason for the Company’s incurred net loss was due to an increasing in selling and administrative expenses and increasing in 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 2018 was equal to 159.1 million baht lower than the second quarter of 2017 at 11.2 percent. For total revenues for the second quarter in 2018 was 169.2 million Baht a decline by 5.5% from the same period last year. Due to rental revenues and sale promotion revenues decrease.

While Rental and service income for the 6 month period of 2018 was 322.7 million Baht which lower than the same period last year of 2017 of 9.7%. Total revenues for 6-month period was 347.4 million Baht a decrease by 2.8% from the same period last year.

### Cost of Rental and Service Income

The Company incurred rental and service costs for the second quarter of 2018 equal to 145.2 million Baht more than the second quarter of 2017 at 3.3 percent. Whereas cost of Rental and Service Income for 6 month end of 2018 equal to 284.7 million Baht or increase 3.7 million Baht or 1.31% from the same period last year.

### Gross Profit

The Company had gross profit for the second quarter of 2018 equal to 18.9 million baht which represent gross profit margin of 11.2% which was lower from the same period last year. However, the gross margin for six months of 2018 was 48.6 million baht which represent gross profit margin of 14.0% and lower than the same period last year.

### Service and Administrative Expenses

The Company had service and administrative expenses for the second quarter of 2018 equal to 37.2 million baht, which was 22.2 percent higher than the second quarter of 2017. For 6 month end of 2018, the service and administrative expenses was 74.4 million Baht or increase 11.1%. 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-18	31-Dec-17	Change	%Change
<b>Assets</b>				
Cash and Cash Equivalents	17.8	6.0	11.7	194.4%
Trade and Other Receivables	50.9	39.0	11.9	30.6%
Property Development Cost	261.3	243.9	17.4	7.1%
Investment Properties	522.0	520.3	1.7	0.3%
Leasehold Right and Building	1,317.3	1,330.8	-13.5	-1.0%
Deposit	140.7	136.8	3.9	2.9%
<b>Total Assets</b>	<b>2,541.4</b>	<b>2,496.2</b>	<b>45.2</b>	<b>1.8%</b>
<b>Liabilities and Shareholders' Equity</b>				
OD and Short-term Loan	70.0	76.3	-6.3	-8.3%
Trade and other payable	102.5	123.6	-21.2	-17.1%
Long-term Loan - Current portion of Long	120.7	115.4	5.3	4.6%

	30-Jun-18	31-Dec-17	Change	%Change
term Loan				
Short-term Loan	89.1	39.6	49.5	124.9%
Long-term loan - Net	584.6	644.8	-60.2	-9.3%
Deposit received from Lessees	133.8	138.7	-4.8	-3.5%
<b>Total Liabilities</b>	<b>1,588.9</b>	<b>1,527.2</b>	<b>61.7</b>	<b>4.0%</b>
<b>Shareholder's Equity</b>	<b>938.8</b>	<b>953.0</b>	<b>-14.2</b>	<b>-1.5%</b>

### Assets

As of the period ending 30 June 2018, the Company had total assets equal to 2,541.4 million baht more than 2017 equal to 45.2 million baht or 1.81% due to the Company incurred Property Development Cost

### Liabilities & Shareholder's Equity

As for the period ending 30 June 2018, the Company had total liabilities equal to 1,588.9 million baht more than 2017 equal to 61.7 million baht or 4.0 percent due to an increasing short-term debt, while shareholders' equity equal to 952.5 million baht. The Company debt to equity ratio stood at 1.67 times and the interest bearing-debt to equity ratio is 1.40 times.

Thus, you have been informed for your acknowledgement.

Sincerely Yours,

(Mr. Suphot Wanna)  
Chief Executive Officer