

10 August 2021

Subject: Operating result for Q2/2021

To: President

The Stock Exchange of Thailand

Jakpaisan Estate Public Company Limited (“The Company”) would like to clarify the operating result for the Q2 ended 30 June 2021 as follows:

Statement of Comprehensive Income	Financial Statements in which the equity method is applied				
	For the quarter ended 30 June 2021	For the quarter ended 30 June 2020	For the quarter ended 31 Mar 2021	Inc.(Dec.) Y-O-Y	Inc.(Dec.) Q-O-Q
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
<u>Revenues</u>					
Revenues from sales	3.40	23.09	15.17	(19.69)	(11.77)
Revenue from construction contracts	40.31	-	-	40.31	40.31
Total Revenues	43.71	23.09	15.17	20.62	28.54
Cost of sales	(1.94)	(10.90)	(7.02)	(8.96)	(5.08)
Cost of construction contracts	(30.52)	-	-	30.52	30.52
Gross profit	11.25	12.19	8.15	(0.94)	3.10
Other income	0.41	1.04	0.22	(0.63)	0.19

Statement of Comprehensive Income	Financial Statements in which the equity method is applied				
	For the quarter ended 30 June 2021	For the quarter ended 30 June 2020	For the quarter ended 31 Mar 2021	Inc.(Dec.) Y-O-Y	Inc.(Dec.) Q-O-Q
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Selling expenses	(0.23)	(1.09)	(0.71)	(0.86)	(0.48)
Administrative expenses	(6.92)	(6.79)	(6.36)	0.13	0.56
Managements' remuneration	(2.09)	(2.24)	(2.12)	(0.15)	(0.03)
Profit before finance costs and income tax expense	2.42	3.11	(0.82)	(0.69)	3.24
Finance income	0.10	0.13	0.09	(0.03)	0.01
Finance costs	(1.63)	(2.42)	(1.66)	(0.79)	(0.03)
Share of profit from investment in an associate	0.95	3.62	1.10	(2.67)	(0.15)
Profit before income tax expense	1.84	4.44	(1.29)	(2.60)	3.13
Income tax expense	(0.24)	(0.11)	1.43	0.13	1.67
Net profit for the period	1.60	4.33	0.14	(2.73)	1.46

Total revenues for Q2/2021 was Baht 43.71 million which increased from the same period of prior year of Baht 20.62 million or 89.30% and increased from Q1/2021 of Baht 28.54 million or 188.13%.

Total Revenues

Revenue from sales of property

For Q2/2021, the Company recognized revenue from sales of property of Baht 2.41 million decreased of Baht 20.01 million or 89.25% when compared with the same period of prior year and decreased of Baht 11.91 million or 83.17% when compared with Q1/2021, it mainly due to continuing to evolve of the Coronavirus disease 2019 pandemic. The Company's projects are located in Cholburi.

Revenue from construction contracts

Due to continuing to evolve of the Coronavirus disease 2019 pandemic, the Company shifts to other channel for revenue. For Q2/2021, the Company has revenue from construction contracts of Baht 40.31 million.

Revenue from sales of beverage and bakery

For Q2/2021, the Company has revenue from sales of beverage and bakery from Café Amazon, Salapao Sanghai and Puff&Pie which located in Fern project of Baht 0.99 million which increased from the same period of prior year of Baht 0.32 million and increased of Baht 0.14 million when compared with Q1/2021.

Other income

Other income mainly consisted of rental income, income from breaching of construction agreements, facility income and others.

Cost of sales and gross profit

Cost of sales for Q2/2021 was Baht 1.94 million or 57.01% of revenue from sales, while cost of sales for Q2/2020 was Baht 10.90 million or 47.20% of revenue from sales and cost of sales for Q1/2021 was Baht 7.02 million or 46.29% of revenue from sales. Cost to sales ratio for Q2/2021 increased due to cost adjustment.

Selling and Administrative expenses

Selling expenses

Selling expenses mainly consisted of salary, commission, per diem and bonus of sale team, sale promotion expense and transfer fee.

Selling expense of Q2/2021 and Q2/2020 were Baht 0.23 million and Baht 1.09 million, respectively. Selling expenses represented 6.78% and 4.73% of revenue from sales, respectively.

Administrative expenses

Administrative expenses (including managements' remuneration) for Q2/2021 and Q2/2020 were Baht 9.01 million and Baht 9.03 million, respectively, which slightly decreased. It mainly due to control of administrative expenses.

Finance costs

Finance costs was interest expenses from long-term loan, bank overdraft and promissory notes. Finance costs for Q2/2021 and Q2/2020 were Baht 1.63 million and Baht 2.42 million, respectively. It decreased due to cash received from capital increase (IPO) of Baht 119.93 million. The Company paid for bank's debt, it resulted decreasing in finance cost. Finance costs for Q2/2021 slightly decreased from Q1/2021.

Share of profit from investment in an associate

The Company recognized profit from investment in M.T.S. Asset Development Co.,Ltd. which the company owned 40% of paid-up capital. The principal business of this associate is real estate development. Currently, it operated Idyl project at Umphur Pan Thong, Cholburi.

The Company recognized share of profit from this associate in Q2/2021 of Baht 0.95 million which decreased from the same period of prior year.

Net profit

Net profit for Q2/2021 and Q2/2020 were Baht 1.60 million and Baht 4.33 million, respectively, and represented 3.63% and 17.92% of total revenues.

Summary of significant financial position

Summary of significant financial position as at 30 June 2021 are as follows:

Statement of Financial Position	Financial Statements in which the equity method is applied	
	As at 30 Jun 2021	As at 31 Dec 2020
	Million Baht	Million Baht
Total Assets	682.60	599.20
Total Liabilities	268.45	289.03
Total Shareholders' Equity	414.15	310.16
Debt to Equity Ratio (times)	0.65	0.93

The Company's assets were mainly inventory, land held for development, investment in an associate and investment property. Total assets as at 30 June 2021 was Baht 682.60 million which increased from 31 December 2020 of Baht 83.40 million. It increased due mainly to cash received from capital increase (IPO) of Baht 119.93 million. The Company paid for bank debt and remain in bank accounts.

The Company's liabilities as at 30 June 2021 was Baht 268.45 million. Source of fund is bank overdraft and long-term loan from financial institutions. Bank overdraft and long-term loan represented 35.89% of total liabilities and shareholders' equity. Shareholders' equity as at 30 June 2021 increased of Baht 103.98 million due mainly to capital increase (IPO) and dividend payment of Baht 12.79 million.

Please be informed accordingly.

Sincerely yours,

Mr. Suwit Wannasirisook

Chief Financial Officer