



JAS Asset

Management Discussion and Analysis Q3/2021



Ref: J64/012

9 November 2021

Subject MD&A for the 3rd quarter ended 30 September 2021
 Attention President
 The Stock Exchange of Thailand

According to the resolution of the Board of Directors of JAS Asset Public Company Limited (“the Company”) No. 5/2021 on 9 November 2021 resolved to approving the financial statements and operating results of the Company for the third quarter ended 30 September 2021. This has been reviewed by the auditor of the company and with the following results.

The Company's performance for the third quarter of 2021 for the Company's financial statements The Company has a net profit 6.1 million baht decreased from the third quarter of 2020, 76.8% and the performance of the company for 9-month net profit 49.3 million baht increased from the same period of the previous year 3.4%. The reason that the company has increased net profits is due to cost and expenses control. The details of the performance comparison during the year the details are as follows:

Performance Summary:

	Q3/2020	Q3/2021	Change		9M/2020	9M/2021	Change	
			Value	%			Value	%
Rental income	80.1	57.7	-22.4	-28.0%	241.2	202.9	-38.3	-15.9%
Revenue from contracts with customers	42.3	21.2	-21.1	-49.9%	142.0	97.3	-44.7	-31.5%
total income	122.4	78.9	-43.5	-35.5%	383.2	300.2	-83	-21.7%
Cost of rental	9.3	6.1	-3.2	-34.4%	32.8	21.1	-11.7	-35.7%
Cost of sales	33.7	16.0	-17.7	-52.5%	102.0	68.2	-33.8	-33.1%
gross profit	79.4	56.8	-22.6	-28.5%	248.4	210.9	-37.5	-15.1%
Loss and fair value adjustment of investment property	2.6	42.8	40.2	1546.2%	81.9	75.6	-6.3	-7.7%
Reversal of impairment of assets	0	0.0	0	n.a.	3.4	0	-3.4	-100.0%
Other income	1.6	27.7	26.1	1631.3%	7.5	39.0	31.5	420.0%
Selling and distribution expenses	17.7	11.4	-6.3	-35.6%	42.7	39.5	-3.2	-7.5%
Administrative expenses	14.5	12.8	-1.7	-11.7%	40.8	38.1	-2.7	-6.6%
Operating profit (loss)	46.2	17.5	-28.7	-62.1%	93.7	96.6	2.9	3.1%

	Q3/2020	Q3/2021	Change		9M/2020	9M/2021	Change	
			Value	%			Value	%
Finance cost	15.2	15.9	0.7	4.6%	43.1	48.7	5.6	13.0%
Net Profit	26.3	6.1	-20.2	-76.8%	47.7	49.3	1.6	3.4%

Rental and services income

Rental and service income for the third quarter of 2021 is equal to 57.7 million baht decrease from the 3rd quarter of year 2020 28% and total revenues for the 3-month period is equal to 78.9 million baht decrease from the same period of the previous year 35.5%. Because of the impact of the Government lockdown policy on the spread of Covid 2019 in the third quarter of the previous years.

For operating results for 9 months of 2021, the company has rental and service income is 202.9 million baht decrease from the same period of the previous year 15.9% and total income is 300.2 million baht decrease from the same period of the previous year 21.7%. As a result of government policy restrictions and a reduction in the number of IT Junction locations.

Cost of rental and service

The Company has rental costs for the third quarter of 2021 6.1 million baht decrease from the same period of the previous year 34.4% while the cost of rental for 9 months of 2021 is equal to 21.1 million baht decrease from the same period of the

previous year 35.7%. This is a result of the company reducing the number of IT Junction branches in the part that did not meet its target performance and rental discount from landlord.

Gross profit

The company had gross profit for the third quarter of 2021 56.8 million baht calculated as the gross profit margin is equal to 72.0%. This is an increase from the same quarter of last year. If considering gross profit for the 9 months of 2021 is 210.9 million baht accounted for a gross profit margin equal to 70.3% which an increase from the same period last year. This is result of the closure of the IT Junction branch which do not meet its profit target and rental cost control.

Selling and administrative expenses

The company had selling and distribution expenses in the third quarter of 2021 11.4 million baht an increase from the third quarter of 2020 35.6% and for the 9 months of the year 2021 is equal to 39.5 million baht or decrease 7.5%. And administrative expenses in the third quarter of 2021 is equal to 12.8 million baht decreased from the 3rd. quarter of 2020 11.7% and for the 9

months of the year 2021 is 38.1 million baht or decrease 6.6%. Most of the reduced expenses are expenses related to staff expenses.

Asset

As of 30 September 2021, the Company has total assets is equal to 3,586 million baht an increased from end of year 2020 384.3 million baht or 10.8%. This is due to an increase in investment properties, which refers to the value of real estate that the company has rented out in the shopping center and rental area.

Liabilities and shareholders' equity

As of 30 September 2021, the Company has total liabilities 1,956.2 million baht increase from 2020, 56.3 million baht or 2.96% which was an increase of lease liability from Thai Financial Reporting Standard Code 16

While the shareholders' equity is equal to 1,629.7 million baht. As a result, the company has a debt-to-equity ratio of 1.20 times. And the interest-bearing debt to equity ratio is 0.57 times which tends to increase from the end of 2019 at the level of 0.68 times.

Forward Looking in Q4/2021

Due to the government's lockdown announcement, the company faced operational challenges in the 3rd quarter of this year. According to government policy, shopping centers force IT Junction to close its doors. The company, on the other hand, has a positive outlook for 4Q21 because the fourth quarter is when consumers have the most purchasing power. (High Season) so that the rental income can be fully recognized and offers a reduced rental rate.

In addition, the company is planning to open a new shopping center, JAS Green Village, Khu Bon, on December 2, 2021, which will generate new revenue streams.

Please be informed accordingly.

Yours faithfully,

- Signed -

(Mr. Suphot Sirikulapas)

Chief Executive Officer

Mr. Panya Chutisiriwong

Chief Investor Relations – Jaymart Group

JAS Asset Public Company Limited

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JAS Green Village Investment Properties Projects are set to Open in the Coming months.

The Jas Green Village Khu Bon project has a leasable area of 14,625 square meters and a 92 % occupancy rate, and it will open on December 2, 2021.

