

9 November 2021

Subject: Operating result for Q3/2021

To: President

The Stock Exchange of Thailand

Jakpaisan Estate Public Company Limited (“The Company”) would like to clarify the operating result for the Q3 ended 30 September 2021 as follows:

Statement of Comprehensive Income	Financial Statements in which the equity method is applied				
	For the quarter ended 30 Sep 2021	For the quarter ended 30 Sep 2020	For the quarter ended 30 Jun 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	0.86	30.24	3.40	(29.38)	(2.54)
Revenue from construction contracts	101.41	-	40.31	101.41	61.10
Total Revenues	102.27	30.24	43.71	72.03	58.56
Cost of sales	(0.45)	(15.01)	(1.94)	(14.56)	(1.49)
Cost of construction contracts	(84.19)	-	(30.52)	84.19	53.67
Gross profit	17.63	15.23	11.25	2.40	6.38
Other income	0.52	0.85	0.41	(0.33)	0.11

Statement of Comprehensive Income	Financial Statements in which the equity method is applied				
	For the quarter ended 30 Sep 2021	For the quarter ended 30 Sep 2020	For the quarter ended 30 Jun 2021	Inc.(Dec.) Y-O-Y	Inc.(Dec.) Q-O-Q
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Selling expenses	(0.09)	(1.37)	(0.23)	(1.28)	(0.14)
Administrative expenses	(6.31)	(4.91)	(6.92)	0.13	(0.61)
Managements' remuneration	(2.12)	(2.10)	(2.09)	0.02	0.03
Profit before finance costs and income tax expense	9.63	7.69	2.42	1.94	7.21
Finance income	0.10	0.13	0.10	(0.03)	0.00
Finance costs	(1.70)	(2.22)	(1.63)	(0.52)	0.07
Share of profit from investment in an associate	3.15	1.22	0.95	1.93	2.20
Profit before income tax expense	11.17	6.82	1.84	4.35	9.33
Income tax expense	(1.64)	(1.21)	(0.24)	0.43	1.40
Net profit for the period	9.53	5.61	1.60	3.92	7.93

Total revenues for Q3/2021 was Baht 102.80 million which increased from the same period of prior year of Baht 71.71 million or 230.66% and increased from Q2/2021 of Baht 58.67 million or 132.96%.

Total Revenues

Revenue from sales of property

For Q3/2021, the Company has no revenue from sales of property which decreased of Baht 29.31 million or 100% when compared with the same period of prior year and decreased of Baht 2.41 million or 100% when compared with Q2/2021, it mainly due to continuing to evolve of the Coronavirus disease 2019 pandemic. The Company's projects are located in Choburi province.

Revenue from construction contracts

Due to continuing to evolve of the Coronavirus disease 2019 pandemic, the Company shifts to other channel for revenue. For Q3/2021, the Company has revenue from construction contracts of Baht 101.41 million.

Revenue from sales of beverage and bakery

For Q3/2021, the Company has revenue from sales of beverage and bakery from Café Amazon and Puff&Pie which located in Fern project of Baht 0.86 million which decreased from the same period of prior year of Baht 0.07 million and decreased of Baht 0.13 million when compared with Q2/2021.

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 Q3/2021 was Baht 0.45 million or 52.58% of revenue from sales, while cost of sales for Q3/2020 was Baht 15.01 million or 49.64% of revenue from sales and cost of sales for Q2/2021 was Baht 1.94 million or 57.01% of revenue from sales. Cost to sales ratio for Q2/2021 increased due to reduction of selling price.

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 Q3/2021 and Q3/2020 were Baht 0.09 million and Baht 1.37 million, respectively. Selling expenses represented 10.14% and 4.54% of revenue from sales, respectively.

Administrative expenses

Administrative expenses (including managements' remuneration) for Q3/2021 and Q3/2020 were Baht 8.43 million and Baht 7.01 million, respectively, which increased of Baht 1.42 million. It mainly due to increase in advisor fee and in Q3/2000 accrued bonus was reversed of Baht 0.68 million.

Finance costs

Finance costs was interest expenses from long-term loan, bank overdraft and promissory notes. Finance costs for Q3/2021 and Q3/2020 were Baht 1.70 million and Baht 2.22 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 Q3/2021 slightly increased from Q2/2021 due to working capital required for construction work.

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 Q3/2021 of Baht 3.15 million which increased from the same period of prior year and Q2/2021 due to increase in units transfer.

Net profit

Net profit for Q3/2021 and Q3/2020 were Baht 9.53 million and Baht 5.61 million, respectively, and represented 9.27% and 18.05% of total revenues.

Summary of significant financial position

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

Statement of Financial Position	Financial Statements in which the equity method is applied	
	As at 30 Sep 2021	As at 31 Dec 2020
	Million Baht	Million Baht
Total Assets	735.79	599.20
Total Liabilities	312.11	289.03
Total Shareholders' Equity	423.68	310.16
Debt to Equity Ratio (times)	0.74	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 September 2021 was Baht 735.79 million which increased from 31 December 2020 of Baht 599.20 million due to increase of receivable for construction work of Baht 78.88 million and acquire a plot of land of Baht 14.15 million including developing cost for Fern and Canna projects.

The Company's liabilities as at 30 September 2021 was Baht 312.11 million. Source of fund is bank overdraft and long-term loan from financial institutions. Bank overdraft and long-term loan represented 36.56% of total liabilities and shareholders' equity. Shareholders' equity as at 30 September 2021 increased of Baht 113.52 million due mainly to capital increase (IPO) of Baht 119.93, dividend payment of Baht 12.79 million and net profit for 9-month period of Baht 11.28 million.

Please be informed accordingly.

Sincerely yours,

Mr. Suwit Wannasirisook

Chief Financial Officer