

24 February 2022

Subject: Operating result for year 2021

To: President

The Stock Exchange of Thailand

Jakpaisan Estate Public Company Limited (“The Company”) would like to clarify the operating result for the year ended 31 December 2021 as follows:

Statement of Comprehensive Income	Financial Statements in which the equity method is applied		
	For the year ended 31 Dec 2021	For the year ended 31 Dec 2020	Inc.(Dec.)
	Million Baht	Million Baht	Million Baht
<b>Revenues</b>			
Revenues from sales	27.14	85.90	(58.76)
Revenue from construction contracts	142.82	-	142.82
<b>Total Revenues</b>	<b>169.96</b>	<b>85.90</b>	<b>84.06</b>
Cost of sales	(13.62)	(41.89)	(28.27)
Cost of construction contracts	(115.71)	-	115.71
<b>Gross profit</b>	<b>40.63</b>	<b>44.01</b>	<b>(3.38)</b>
Other income	1.70	4.99	(3.29)
Selling expenses	(1.61)	(4.13)	(2.52)
Administrative expenses	(25.34)	(24.45)	0.89

Statement of Comprehensive Income	Financial Statements in which the equity method is applied		
	For the year ended 31 Dec 2021	For the year ended 31 Dec 2020	Inc.(Dec.)
	Million Baht	Million Baht	Million Baht
Managements' remuneration	(8.44)	(9.10)	(0.66)
<b>Profit before finance costs and income tax expense</b>	<b>6.95</b>	<b>11.32</b>	<b>(4.37)</b>
Finance income	0.37	0.54	(0.17)
Finance costs	(6.65)	(9.53)	(2.88)
Share of profit from investment in an associate	10.81	12.45	(1.64)
<b>Profit before income tax expense</b>	<b>11.48</b>	<b>14.77</b>	<b>(3.29)</b>
Income tax expense	0.34	(0.60)	(0.94)
<b>Net profit for the years</b>	<b>11.82</b>	<b>14.17</b>	<b>(2.35)</b>

Total revenues for year 2021 was Baht 171.66 million which decreased from year 2020 of Baht 80.77 million or 88.86%. Net profit for year 2021 was Baht 11.82 million which decreased from year 2020 of Baht 2.35 million or 16.58%.

#### **Total Revenues**

##### Revenue from sales of property

In 2021, the Company recognized revenue from sales of property of Baht 23.69 million compared with year 2020 of Baht 82.96 million which decreased of Baht 59.27 million or 71.44%, it mainly due to continuing to evolve of the Coronavirus disease 2019 pandemic. The Company's projects are located in Cholburi 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 year 2021, the Company has revenue from construction contracts of Baht 142.82 million, while there is no revenue from construction contracts in 2020.

### Revenue from sales of beverage and bakery

In 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 3.45 million which increased from year 2020 of Baht 0.50 million.

### Other income

Other income mainly consisted of rental income, income from breaching of condition construction agreements and income from cancellation of deposit of selling agreements.

Other income for year 2021 and 2020 represented 0.99% and 5.49% of total revenues, respectively.

### **Cost of sales**

Cost of sales for year 2021 was Baht 13.62 million or 50.19% of revenue from sales, while cost of sales for year 2020 was Baht 41.89 million or 48.77% of revenue from sales. Cost of sales for year 2021 decreased from year 2020 which in line with decreasing of revenue from sales. Cost to sales ratio for year 2021 increased due to reduction of selling price.

### **Cost of construction contracts**

Cost of construction contracts for year 2021 was Baht 115.71 million or 81.02% of revenue from construction contracts, while there is cost of construction contracts in year 2020.

### **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 year 2021 and 2020 were Baht 1.61 million and Baht 4.13 million, respectively, which in line with the decreasing of revenue from sales. Selling expenses represented 5.94% and 4.80% of revenue from sales, respectively.

#### Administrative expenses

Administrative expenses (including managements' remuneration) for year 2021 and 2020 were Baht 33.77 million and Baht 33.55 million, respectively. It increased by Baht 0.22 million. The Company controls administrative expenses.

#### **Finance costs**

Finance costs was interest expenses from long-term loan, bank overdraft and promissory notes. Finance costs for year 2021 and 2020 were Baht 6.65 million and Baht 9.53 million, respectively. It decreased due to cash received from capital increase (IPO) of Baht 119.93 million in January 2021. The Company paid for bank's debt, it resulted decreasing in finance cost.

#### **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.

In 2021, the Company recognized share of profit from this associate of Baht 10.81 million which decreased from year 2020 due to decrease in units transfer.

#### **Net profit**

Net profit for year 2021 and 2020 were Baht 11.82 million and Baht 14.17 million, respectively, and represented 6.88% and 15.58% of total revenues. Although total revenue for year 2021 is higher than year 2020 but net profit and net profit margin is lower than year 2020 mainly due to continuing to evolve of the Coronavirus disease 2019 pandemic. Revenue from construction contracts increased 100% but gross profit margin for revenue from construction contracts lower than gross profit margin for revenue from sales of property. It results lower in net profit and net profit margin.

## Summary of significant financial position

Summary of significant financial position as at 31 December 2021 are as follows:

Statement of Financial Position	Financial Statements in which the equity method is applied	
	As at 31 Dec 2021	As at 31 Dec 2020
	Million Baht	Million Baht
Total Assets	662.79	599.20
Total Liabilities	237.34	289.03
Total Shareholders' Equity	425.45	310.16
Debt to Equity Ratio (times)	0.56	0.93

The Company's assets were mainly inventory, land held for development, investment in an associate and property, plant and equipment. Total assets as at 31 December 2021 was Baht 662.79 million which increased from 31 December 2020 of Baht 63.59 million. It increased mainly from inventory of Baht 37.78 million. During 2021, increase of development cost and construction cost of Baht 51.11 million which consisted of construction costs of Fern project and Canna project including cost of land in Ladawan project of Baht 14.15 million.

The Company's liabilities as at 31 December 2021 was Baht 237.34 million. Source of fund is bank overdraft and long-term loan from financial institutions. Bank overdraft and long-term loan represented 32.31% of total liabilities and shareholders' equity. Shareholders' equity as at 31 December 2021 increased of Baht 115.28 million due mainly to capital increase (IPO) of Baht 119.93, dividend payment of Baht 12.79 million and net profit for year of Baht 11.82 million.

Please be informed accordingly.

Sincerely yours,

Mr. Suwit Wannasirisook

Chief Financial Officer