

ห้างสรรพสินค้า อยู่ติดบ้านคุณ



ที่อยากอยู่ใกล้
และเข้าใจทุกชุมชน



JAS Asset

MD&A 2022

J66/003

February 7, 2023

Subject : Management Discussion and Analysis for 2022 Performance
 Attend : President
 The Stock Exchange of Thailand

According to the resolution of the Board of Directors' Meeting of JAS Asset Public Company Limited (the "Company") No. 1/2023 held on February 7, 2023, has resolved to approve the consolidated financial statements and operating results of The company as of December 31, 2022, audited by the auditor of the company and the results can be summarized as follows:

The Company's operating results for the year 2022 for the Company's financial statements The company has a net profit equal to 202.3 million baht as a result of the company launched a new project, The JAS Green Village, Kubon. At the end of 2021, the company was able to recognize revenue from rental space for a full year and renovate community malls and rental spaces to have better occupancy rates in line with the relaxed economic and COVID-19 situation. Details of the company's performance are as follows.

	2021		2022		Change	
	MB.	%	MB.	%	MB.	%
Rental income	271.7	62.7%	345.2	62.0%	73.5	27.1%
Revenue from contracts with customers	111.9	25.8%	177.0	31.8%	65.1	58.2%
Other income	49.9	11.5%	34.6	6.2%	(15.3)	-30.7%
Total income	433.5	100.0%	556.8	100.0%	123.3	28.4%
Rental cost	28.3	6.5%	39.6	7.1%	11.3	39.9%
Cost of sales	85.6	19.7%	155.7	28.0%	70.1	81.9%
Gross profit	269.7	62.2%	326.9	58.7%	57.2	21.2%
Gain on fair value adjustment of investment properties	65.6	15.1%	135.6	24.4%	70.0	106.7%
Profit before expenses	385.1	88.8%	497.1	89.3%	112.0	29.1%
Selling and distribution expenses	56.2	13.0%	80.6	14.5%	24.4	43.4%

	2021		2022		Change	
	MB.	%	MB.	%	MB.	%
Administrative expenses	66.3	15.3%	83.7	15.0%	17.4	26.2%
Operating profit (EBIT)	262.7	60.6%	332.8	59.8%	70.1	26.7%
Financial income	1.3	0.3%	1.3	0.2%	-	0.0%
Financial cost	66.1	15.2%	71.5	12.8%	5.4	8.2%
Profit before income tax expenses	197.9	45.7%	262.6	47.2%	64.7	32.7%
Income (expense) income tax	(36.5)	-8.4%	(59.5)	-10.7%	(23.0)	63.0%
Net profit	161.4	37.2%	202.3	36.3%	40.9	25.3%

Overview of the Retail Industry and an overview of the operations of the company

In 2022, the overall picture of the retail industry has improved since the situation of COVID-19 epidemic has become more relaxed. As more people are vaccinated, the government does not need to declare a lockdown or officially close the shopping mall. As a result, the opening of shopping malls has resumed, and people have returned to spend and spend more goods. As a result, the overall retail industry has expanded compared to the year 2021. However, given the current state of the economy, the likelihood of growing inflation and the level of family debt continue to be significant economic risks for the country. Make people spend responsibly and on necessities.

In 2022, the company expanded its operations by building a new community mall, The Jas Green Village Khubon, which is a community shopping complex on Khubon Road and has been favorably appreciated by customers. The official Senera Senior Wellness project will launch at the end of this year, and the company anticipates that clients interested in the elderly would use the service.

However, if analyzing the company's operating results, it can be explained as follows.

Rental income

Rental income in 2022 was equal to 345.2 million baht, an increase from the previous year 2021 equal to 73.5 million baht. This is mainly due to the opening of The Jas Green Village Shopping Center, Khubon and the adjustment of the occupancy rate of the rental space in the IT Junction area, resulting in a better adjustment in the rental income in the year 2022.

Rental cost, cost of sales and gross profit

The company has rental cost and cost of sales in 2022 equal to 195.3 million baht, an increase from 2021 71.5 percent due to the increase in rental costs. and a decrease in rental discounts received from landlords. The company's gross profit in 2022 was 326.9 million baht, an increase of 21.2 percent, representing a gross profit margin of 58.7 percent from total revenue.

Gain on fair value adjustment of investment properties

In 2022, the company has gain on fair value adjustment of investment properties in the amount of 135.6 million baht.

Selling expenses and administrative expenses

The company has selling expenses and administrative expenses in 2022 totaling 164.3 million baht, an increase from 2021 equal to 41.8 million baht or increasing 34.1 percent. This was due to an increase in staff expenses from an increase in the number of employees. Which is in line with the Company's business expansion.

Operating profit

The Company's operating profit in 2022 was 332.8 million baht, an increase from the year 2021 by 70.1 million baht or increased 26.7 percent as a result of gain on fair value adjustment of investment properties.

Financial cost

The company's total financial costs in 2022 are 71.5 million baht, an increase from 2021 of 5.4 million baht or 8.2 percent due to the increasing from lease liabilities in 2022.

Summary of financial position

	31 Dec 21		31 Dec 22		Change	
	MB.	%	MB.	%	MB.	%
Asset						
Cash and cash equivalents	22.3	0.6%	77.6	1.7%	55.3	248.0%
Trade and other current receivables	105.8	2.8%	99.7	2.1%	(6.1)	-5.8%
Real estate development costs	86.0	2.3%	74.3	1.6%	(11.7)	-13.6%
Advance income tax	12.9	0.3%	13.5	0.3%	0.6	4.7%
Other current assets	15.6	0.4%	18.7	0.4%	3.1	19.9%
Total current assets	242.6	6.4%	283.8	6.0%	41.2	17.0%
Deposit	56.4	1.5%	57.7	1.2%	1.3	2.3%
Investments in joint ventures	-	0.0%	18.9	0.4%	18.9	100.0%
Investments in associates	-	0.0%	10.0	0.2%	10.0	100.0%
Investment property	3,461.7	91.2%	4,265.9	90.8%	804.2	23.2%
Property and equipment	30.8	0.8%	35.9	0.8%	5.1	16.6%
Intangible assets	1.3	0.0%	2.7	0.1%	1.4	107.7%
Other non-current assets	1.8	0.0%	21.5	0.5%	19.7	1094.4%
Total non-current assets	3,552.0	93.6%	4,412.6	94.0%	860.6	24.2%
Total assets	3,794.6	100.0%	4,696.4	100.0%	901.8	23.8%
Liabilities and Equity						
Bank overdrafts and short-term loans	124.4	3.3%	50.0	1.1%	(74.4)	-59.8%
Trade and other payables	66.9	1.8%	72.1	1.5%	5.2	7.8%
Insurance contract liabilities	13.9	0.4%	17.1	0.4%	3.2	23.0%
Advance received from customers	0.2	0.0%	0.3	0.0%	0.1	50.0%
Current portion of long-term loans due within 1 year	100.1	2.6%	126.6	2.7%	26.5	26.5%
Current portion of Lease liabilities due within 1 year	91.5	2.4%	99.6	2.1%	8.1	8.9%
Short-term loans from related parties	200.0	5.3%	-	0.0%	(200.0)	-100.0%
Debentures due within 1 year	196.6	5.2%	-	0.0%	(196.6)	-100.0%
Other current liabilities	13.1	0.3%	13.7	0.3%	0.6	4.6%
Total current liabilities	806.7	21.3%	379.4	8.1%	(427.3)	-53.0%
Long-term loans - net	365.4	9.6%	558.3	11.9%	192.9	52.8%
Finance lease liabilities - net	746.5	19.7%	801.6	17.1%	55.1	7.4%

	31 Dec 21		31 Dec 22		Change	
	MB.	%	MB.	%	MB.	%
Deposit received from tenant	93.1	2.5%	94.7	2.0%	1.6	1.7%
Deferred tax liabilities	15.8	0.4%	72.8	1.6%	57.0	360.8%
Other non-current financial liabilities	-	0.0%	11.8	0.3%	11.8	100.0%
Other non-current liabilities	25.2	0.7%	24.4	0.5%	(0.8)	-3.2%
Total non-current liabilities	1,246.0	32.8%	1,563.6	33.3%	317.6	25.5%
Total Liabilities	2,052.7	54.1%	1,943.0	41.4%	(109.7)	-5.3%
Total Equity	1,741.9	45.9%	2,753.4	58.6%	1,011.5	58.1%

Asset

As of December 31, 2022, the Company had total assets of 4,696.4 million baht, an increase from the end of 2021 by 901.8 million baht or 23.8 percent due to an increase in investment properties.

Liabilities and Equity

As of December 31, 2022, the Company had total liabilities of 1,943 million baht, decreased from the end of 2021 by 109.7 million baht or 5.3 percent due to the repayment of loans and debentures, while the shareholders' equity was equal to 2,753.4 million. An increase of 1,011.5 million baht or 58.1 percent from an increase in share premium and retained earnings that increase from the company's profits.

At the end of 2022, the Company's debt to equity ratio was 0.71 times and the interest-bearing debt to equity ratio was 0.27 times.

Analysis of the company's cash flow.

As of December 31, 2022, the Company's cash and cash equivalents increased from December 31, 2021 in the amount of 55.3 million baht, resulting from the net effect of all 3 activities.

- 1) Cash flows used in investing activities was 499.5 million baht and
- 2) Cash flows from financing activities was 334.9 million baht, and
- 3) Cash flows from operating activities was of 219.9 million baht

Compared to 2021, the increasing of cash flow used in investing activities amount of 185.6 million baht or 59.1 percent was a result of the increased investment in investment properties. And the increasing of cash flow from financing activities amount of 223.7 million baht or 201.2 percent because of the

Company's issuance of new ordinary shares. As for the increasing of cash flow from operations amount of 1.5 million baht or 0.7 percent that was mainly caused by The Company's operating profit has increased.

Sustainable Development

Environment

As a company that develops real estate, we have an impact on the environment in many different ways. As a result, the company values environmental responsibility. By lessening the effects of project development in the process on the design and construction processes and reduce any potential environmental effects. Our main goal is to lower greenhouse gas emissions along the value chain – from the organization's consumption of energy, water resources, and other natural resources, as well as sustainable waste management in accordance with a variety of elements and trends, to promote the Sustainable Development Goals (SDGs) of the United Nations. both internationally and domestically The following are the significant initiatives:

1. Encourage energy efficiency.

The company encourages the efficient and cost-effective use of energy involving both staff and customers of community malls, as well as tenants who rent space in community malls, with a campaign Provide energy-saving information through multiple means, such as announcements, including the company's web platforms. Always pay attention to energy conservation on the part of the company.

2. Adopt Solar rooftop technology to reduce fossil electricity consumption.

To achieve the goal of reducing the use of electricity purchased from fossils. The company brought the On Grid Solar rooftop technology to be installed on the roof of The JAS Ramindra community mall, which is the company's headquarters. Completed installation, the system can be activated for use since August 2021 with a capacity to produce 434.7 kWp of electricity, from the statistics of electricity generation in 2022, the Solar rooftop project can produce a total of 458,661.47 kWh, representing 12.49% of total energy consumption. As a result, there will be a lowering of the cost of electricity from the utilities in 2022. Additionally, using electricity purchased from electricity results in up to 229.28 tCO₂eq less greenhouse gas emissions.

Human Capital Development

Employee development is a priority for the company. The Company believes that the quality of potential personnel has a direct impact on the Company's business competitiveness. Because the present is constantly changing. Causing the need to develop employees to keep up with changes all the time. both new technological changes change of law new regulations Bringing new formats and technologies to support the company's business activities.

In 2022, training hours per person average 6 hours, with training expenses averaging 1,037 baht and there are no labor disputes or incidents at the company.

Good Governance

The Company respects the rights of data subjects under relevant laws. and for requesting rights, including the right to request access, request a copy, request to update information Request an objection to the processing of personal data request for data transfer including requests to delete or destroy data when it is no longer necessary Including requests to delete or destroy customer data when it is no longer required by law. The company has a way to contact the personal data protection officer via e-mail: dpo-jas@jasasset.co.th and in 2022, JAS Asset has no customer data leakage incident. And there are no complaints about violations of consumer rights.

Factors affecting future performance

In the year 2022, the company was deemed successful in achieving consistent growth in operating performance. There is a defined business structure in place for future activities. The business has previously predicted commercial prospects in the health sector. and provide for the aged This is consistent with the fact that the population of Thailand is shifting toward an older demographic. Furthermore, with COVID's relaxed situation, because there is no lockout policy from the government sector, it is a major contributing component that improves the company's performance. People began to feel more confident about going out to spend money and buy more goods.

Although the situation has improved, the year 2023 is considered a year. However, the Thai economy is still vulnerable to inflation and the problem of rising household debt. The Company continues to take such risks seriously but cautiously. the new mall that the business will start operating. The business has already completed a feasibility study. The Company continues to take such risks seriously. The new community mall that the business will start operating. The business has already carried out a feasibility assessment.

Summary of important details of the company's investment properties by 2022 - 2023

No.	Project	Location	Total leasable area (sqm.)
1	The Jas Wanghin	Ladprao Road, WangHin, Bangkok	5,000
2	The Jas Ramintra	Lat Pla Khao Road, Bangkok	9,600
3	Jas Urban Srinakarin	Srinakarin Road, Samut Prakan	17,300
4	Jas Village Amata Chonburi	Sukprayoon Road, Chonburi	8,950
5	Jas Green Village Kubon	Kubon Road, Bangkok	14,625
6	Jas Green Village Bangbuathong	Bangbuathong, Bangkok	8,700
7	Jas Green Village Ramkhamheang	Ramkhamheang, Bangkok	4,100

Please be informed accordingly.

Sincerely Yours

(Mr. Suphot Sirikulapas)

Chief Executive Officer

Mr. Panya Chutisiriwong

Investor Relations Jaymart Group

Phone : 02 308 8196 Email: panya@jaymart.co.th

Website: www.jasasset.co.th

Facebook: Jmart JMT J Lover

JAS x Suki Teenoi

