

Management Discussion and Analysis Q3/2023

JAS Asset



Re: J66/0012

7 November 2023

Subject Management Discussion and Analysis for the third quarter ended 30 September 2023
 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. 6/2023 on 7 November 2023. Resolved to approving the financial statements and operating results of the Company for the third quarter ended September 30, 2023. This has been reviewed by the auditor of the company and with the following results.

The Company's operating results for the third quarter of 2023 for the Company's financial statements. The company had a net profit of 129.1 million baht, an increase of 617.2 percent from the third quarter of 2022, and the Company's operating results for the nine-month period, a net profit of 134.5 million baht, a 74.7 percent increase from the same period last year. Mainly due to the Company having a profit on fair value adjustment of investment properties and an increase in rental income from the opening of the new community mall JAS Green Village Bang-Bua-Thong during the past 3Q/2023. The details of the operation results are as follows:

Performance Summary

	Q3/2022	Q3/2023	Change		9M/2022	9M/2023	Change	
			Value	%			Value	%
Rental income	85.3	95.5	10.2	12.0%	256.1	283.4	27.3	10.7%
Revenue from contracts with customers	42.8	38.4	(4.4)	-10.3%	126.9	120.4	(6.5)	-5.1%
Total revenue	128.1	133.9	5.8	4.5%	383.0	403.8	20.8	5.4%
Rental cost	11.1	13.6	2.5	22.5%	30.8	33.6	2.8	9.1%
Cost of Sales	39.5	38.6	(0.9)	-2.3%	108.4	121.1	12.7	11.7%
Gross profit	77.5	81.7	4.2	5.4%	243.9	249.2	5.3	2.2%
Profit (loss) on FV adjustment of investment properties	8.1	163.1	155.0	1913.6%	(4.5)	126.5	131.0	-2911.1%
Other income	1.8	2.1	0.3	16.7%	32.5	8.3	(24.2)	-74.5%
Selling and distribution expenses	19.6	21.4	1.8	9.2%	51.8	63.6	11.8	22.8%
Administrative expenses	21.9	18.2	(3.7)	-16.9%	61.6	58.5	(3.1)	-5.0%
Operating profit	45.8	207.3	161.5	352.6%	158.5	261.8	103.3	65.2%
Financial cost	(15.8)	(24.3)	(8.5)	53.8%	(57.4)	(61.9)	(4.5)	7.8%
Share of loss from investment in JV	-	(4.3)	(4.3)	-100.0%	-	(9.1)	(9.1)	-100.0%
Net Profit	18.0	129.1	111.1	617.2%	77.0	134.5	57.5	74.7%

Rental and Service income

Rental income for the third quarter of 2023 (3-months period) was 95.5 million baht, a 12 percent increase from the third quarter of 2022, and total income for the 3-months period was 133.9 million baht, increase from the same period the previous year 4.5 percent.

In terms of operating results for the 9-months of 2023, the Company's rental income was 283.4 million baht, increase 10.7 percent from the same period the previous year, and total income was 403.8 million baht, increase 5.4 percent from the same period the previous year. This was mainly due to an increase in rental income from JAS Green Village Kubon and JAS Urban Srinakarin, including an increase in utility revenue from electricity usage and an increase in electricity charges in line with electricity costs. There was also an increase in revenue from the Senera Senior Wellness project from delivery space to Senera ViMUT Health Service.

Rental cost and Cost of sales

The company has rental costs and cost of sales for the third quarter of 2023 equal to 52.2 million baht, an increase of 3.2 percent from the third quarter of 2022, while the rental cost and cost of sales for the 9-months period of 2023 was 154.7 million baht, an increase of 11.1 percent from the same period of the previous year. This is mostly due to utility costs.

Gross Profit

The company's gross profit in the third quarter of 2023 was equal to 81.7 million baht, representing a

gross profit margin of 61 percent, a slight increase from the previous year's same quarter. For the 9-months of 2023, The company's gross profit was equal to 249.2 million baht, representing a gross profit of 61.7 percent, which slightly decreased from the same period of the previous year, the reason was the closing of 3 unprofitable IT Junction branches.

Selling expenses and administrative expenses

The company's sales and distribution expenses in the third quarter of 2023 were 21.4 million baht, increase 9.2 percent from the third quarter of 2022, and for the 9-months period of 2023 were 63.6 million baht, increase 22.8 percent. Administrative expenses were 18.2 million baht in the third quarter of 2023, decrease 16.9 percent from the third quarter of 2022, and for the 9-months period of 2023 were 58.5 million baht or a 5 percent decrease.

The increase in sales and distribution expenses was a result of the number of marketing employees, employees increased according to the number of community malls and increased promotional expenses.

Profit on fair value adjustment of investment properties

The Company's profit on fair value adjustment of investment properties was 126.5 million baht in the nine months, which was more than last year's. Mainly due to an increase in income consideration of investment properties from the new community Malls "JAS Green Village Bang-Bua-Thong" and an adjustment to the fair value of J Market business.

Assets

The Company had total assets of 5,670.2 million baht as of September 30, 2023, an increase of 973.8 million baht or 20.7 percent from the end of 2022. Due to the increase in Investment Properties from the development of new shopping center projects, and profit on fair value adjustment of the new shopping center JAS Green Village Bang-Bua-Thong and J Market business.

Liabilities and Shareholders' Equity

The Company's total liabilities were 2,812.3 million baht at the end of September 30, 2023, 869.3

million baht or 44.7 percent from the end of 2022. Liabilities were increased from the Company issued of debentures of 326.6 million baht and the loan from the parent company that outstanding balance was 411 million baht for business expansion.

Shareholders' equity is equal to 2,857.9 million baht increased from the end of 2022 104.5 million baht or 3.8 percent which increased from profit for the period.

The Company has a debt-to-equity ratio of 0.98 times and an interest-bearing debt-to-equity ratio of 0.84 times, which tends to decrease from the end of 2022 that was 0.71 times and 0.59 times accordingly.

Cash Flow Analysis (consolidated financial statements)

For the past 9 months 2023, the Company had a net decrease in cash and cash equivalents of 0.4 million baht, separated by cash flow details for each activity as follows:

Unit : Million Baht	9M 2022	9M 2023
Cash flows from operating activities	151.4	162.1
Cash flows from (used in) investing activities	(276.6)	(642.3)
Cash flows from financing activities	133.1	479.8
Net increase (decrease) in cash and cash equivalents	7.9	(0.4)

Cash flows from operating activities in the nine-months period of 2023, the Company had net cash from in operating activities 162.1 million baht, mainly increased from rental collection of JAS Green Village Kubon and JAS Urban Srinakarin.

Cash flows from investing activities in the nine-months period of 2023, the Company had net cash used in investing activities 642.3 million baht, mainly due to the Company has invested in investment properties for Jas Green Village Bang-Bua-Thong and JAS Green Village Khon-Kaen.

Cash flow from financing activities in the nine-months period of 2023, the Company had net cash from financing activities 479.8 million baht, increased due to the company short-term borrowed the parent company.

Forward Looking

The Company has a positive view of future performance both this year and next year. For 2023, the Company opened a new Community Malls "JAS Green Village Bang-Bua-Thong" on September 29, 2023, which has rental space of 9,555 square meters on approximately 14 rai of land, which has received a good response from various key anchor tenants and will generate good income for the Company in the future.

In addition, the Company is preparing to launch 3 projects in 2024, namely "JAS Green Village Ramkhamhaeng", "JAS Green Village Prawet" and "JAS Green Village Khon Kaen", which are projects that already have rental land and are in the process of constructing. This will increase the rental space and generate good income in the future.

ESG development of the Company

The Company has committed to operating with the goal of being a community mall that supports and promotes good Environment, Social and Governance. In the year 2023, the Company participated in Care Whale project in collaboration with Stock Exchange of Thailand. By participating in a project to prepare a waste separation point for customers and nearby communities. In addition, there were activities for employees to create motivation to preserve the environment, such as encouraging employees to exchange electronic waste for J Point, which received a very good response from employees.

Please be informed accordingly.

Yours Faithfully,

- Signed -

(Mr. Suphot Sirikulapas)

Chief Executive Officer

Mr. Panya Chutisiriwong

Investor Relations

JAS Asset Public Company Limited

JAS green village - Bangbuathong
แอสเซตกรีน วิลเลจ บางบัวทอง



HIGHLIGHT

ที่ห้างสรรพสินค้า

JAS green village

Bangbuathong



Shopping Mall



Pet Friendly



Green Park



Activities
For Family



URBAN
Foodville



Senior
Wellness

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green village