

February 27, 2024

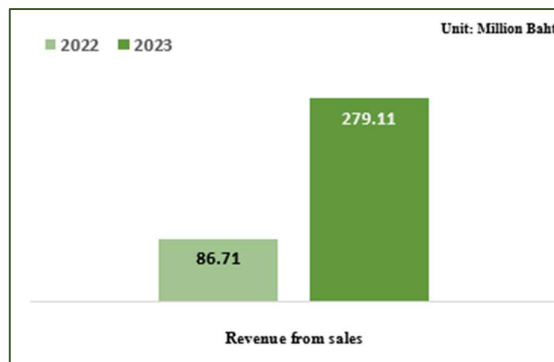
Subject: Management Discussion and Analysis for the year ended on December 31, 2023

To: Directors and Manager  
The Stock Exchange of Thailand

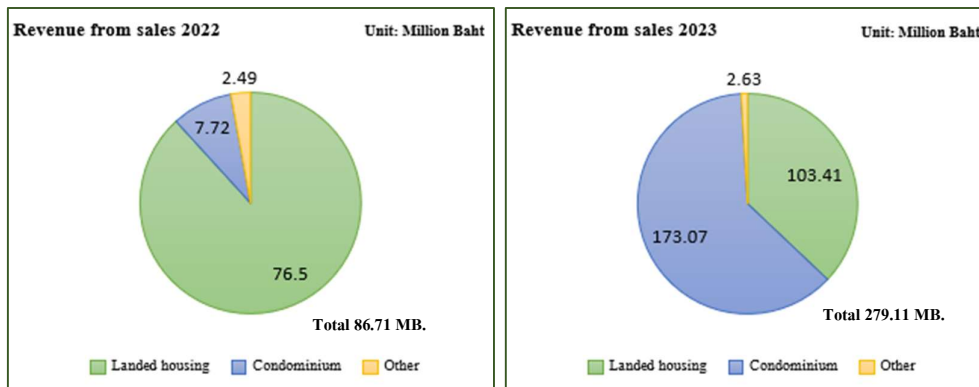
According to the resolution of the Board of Directors of Jakpaisan Estate Public Company Limited (“The Company”) No. 1/2024 on February 27, 2024, it approved financial statements for the year ended on December 31, 2023. The Company hereby clarifies the performance as follows:

**2023 Key Highlights**

- The company has started developing and recognize revenue from sales on a new project in 2023, including the Gardenia Pattaya and the Canna Khlong Song. In the third quarter of 2023 the company has started developing on a new project, called the Pine Condo project. It is anticipated that ownership will start to be transferred in the fourth quarter of 2024 and that the project open for sales in the fourth quarter of 2023.
- Total revenues for the year of 2023 were 279.11 million baht, an increase of 192.40 million baht or a 221.89% increase when compared to last year. The revenue increase was due to economic recovery situation. The company benefits from the opening of the country where foreigners come to invest in condominium real estate. Foreign clients have responded well to the Gardenia Pattaya project as a consequence.



The picture shows a comparison of sales revenue data.



The picture shows the classification of sales revenue.



**JAKPAISAN ESTATE**

- The Company's gross profit margin for the year of 2023 was 41.86%, an increase of 5.32 or a 14.56% compared to last year. Due to of the management of costs and selling prices of the company more efficiently and unit sales revenue from the Gardenia Pattaya Project, which fully increase in 2023, causing gross profits to increase.

**Operating Results for the year ended of 2023**

รายการ	2023		2022		Increase /(Decrease)	
	MB	%	MB	%	MB	%
<b>REVENUES</b>						
Revenue from sales	279.11	98.91	86.71	97.35	192.40	221.89
Other income	3.07	1.09	2.36	2.65	0.71	30.08
<b>Total revenues</b>	<b>282.18</b>	<b>100.00</b>	<b>89.07</b>	<b>100.00</b>	<b>193.11</b>	<b>216.81</b>
<b>EXPENSES</b>						
Cost of sales	162.29	57.51	55.03	61.78	107.26	194.91
Selling expenses	26.30	9.32	3.42	3.84	22.88	669.01
Administrative expenses	30.82	10.92	25.65	28.80	5.17	20.16
Managements' remuneration	8.13	2.88	7.59	8.52	0.54	7.11
<b>Total expenses</b>	<b>227.54</b>	<b>80.64</b>	<b>91.69</b>	<b>102.94</b>	<b>135.85</b>	<b>148.16</b>
<b>Profit (loss) before finance income, finance costs, share of profit from investment in an associate and income tax income (expense)</b>	<b>54.64</b>	<b>19.36</b>	<b>(2.62)</b>	<b>(2.94)</b>	<b>57.26</b>	<b>2,185.50</b>
Financial income	0.27	0.10	0.31	0.35	(0.04)	(12.90)
Financial costs	(14.79)	(5.24)	(8.83)	(9.91)	(5.96)	(67.50)
Share of profit from investment in an associate	(0.37)	0.13	11.58	13.00	(11.95)	(103.20)
<b>Profit before income tax income (expense)</b>	<b>39.75</b>	<b>14.09</b>	<b>0.44</b>	<b>0.49</b>	<b>39.31</b>	<b>8,934.09</b>
Income tax income (expense)	(7.99)	(2.83)	2.16	2.43	(10.15)	(469.91)
<b>Net profit for the years</b>	<b>31.76</b>	<b>11.26</b>	<b>2.60</b>	<b>2.92</b>	<b>29.16</b>	<b>1,121.54</b>

- **Revenues**

- Revenue from sales

Revenue from sales for the year of 2023 were 279.11 million baht, an increase of 192.40 million baht or a 221.89% increase when compared to last year. The revenue increase from on-going Project *Canna Pattaya* and recognize revenue from sales on a new project in 2023 from the Gardenia Pattaya which have responded well by the customer group and the Canna Khlong Song.

- Other income

Other income, which includes rental fees and utilities fees and others which changes in non-significant.

- **Expenses**

- Cost of sales

Cost of sales for the year of 2023 were 162.29 million baht or 57.51% of the total revenues increase of 107.26 million baht or a 194.91% increase when compared to last year due to increase of sales from real estate development business which corresponds in the same direction.

- Selling expenses

Selling expenses for the year of 2023 were 26.30 million baht or 9.32% of the total revenues increase of 22.88 million baht or a 669.01% increase when compared to last year due to increase of transfer taxes and fees, sales and marketing expenses, and employee-related expenses as the result of increased in sales from real estate development business. And in selling the Gardenia Pattaya project, sales representatives who refer clients to project are paid a commission by the company based on the real revenue from sales.

- Administrative expenses and managements' remuneration

Administrative expenses and managements' remuneration for the year of 2023 were 38.95 million baht or 13.80% of the total revenues increase of 5.71 million baht or a 17.18% increase when compared to last year due to increase of operating expenses of new projects implemented in year 2023.

- **Profit (loss) before finance income, finance costs, share of profit (loss) from investment in an associate and income tax income (expenses)**

Profit before financial income, financial costs, share of profit (loss) from investment in an associate and income tax income for the year of 2023 were 54.64 million baht increase of 57.26 million baht or a 2,185.50% increase when compared to last year, because during in 2023 the Company have revenue from sale and gross profit increase while administrative expenses and managements' remuneration were a bit fewer than the amount in 2022. Nonetheless, in 2023 The Company maintained real estate development business's gross margin for the year of 2023 at 41.72% and total gross margin for the year of 2023 at 41.86% increase when compared to last year.

Gross Margin (%)	2023	2022
Gross margin from real estate development business	41.72	35.96
Total gross margin	41.86	36.54

- **Financial costs**

The year of 2023 the Company's financial costs, which include interest from long-term loans, overdrafts, and promissory notes, for the year of 2023 were 14.79 million baht increase of 5.96 million baht or an 67.50% when compared to last year, due to new long-term project loans to invest in the expansion of The Company's real estate development projects since the end of 2022 to the mid-year of 2023. In addition, interest rates will continue to increase during 2023.

- **Share of profit (loss) from investment in an associate**

The Company realized 40% of profits from investment in M.T.S Asset Development Company Limited ("MTS") which has an on-going project, named *Idyl*, in Phan Thong District, Chonburi.

Share of loss from investment in MTS for the year of 2023 were 0.37 million baht a reduced profit share of 11.95 million baht or an 103.20% when compared to last year due to the number of ownership transfers from the Project *Idyl*. But there are increased operating expenses due to the development of new projects.

- **Net profit**

For the year of 2023, the Company were profit of 31.76 million baht increase of 29.16 million baht or 1,121.54% when compared to last year because in 2023, the revenue increase was due to economic recovery situation. The company benefits from the opening of the country where foreigners come to invest in condominium real estate. As mentioned above.

#### Financial Position Analysis

Financial Position	As of				Increase / (Decrease)	
	December 31, 2023		December 31, 2022			
	MB	%	MB	%	MB	%
Total assets	810.27	100.00	812.86	100.00	(2.59)	(0.32)
Total liabilities	349.89	43.18	384.24	47.27	(34.35)	(8.94)
Total shareholders' equity	460.38	56.82	428.62	52.73	31.76	7.41

- **Total assets**

As of December 31, 2023, The Company has total assets of 810.27 million baht which decreased from December 31, 2022, by 2.59 million baht or 0.32%. The Company's key assets are inventories which comprise of lands for development, finished goods, products during construction, investment in an associate and investment properties. Decreased assets came from inventories totaling around 3.20 million baht, investment in an associate totaling around 4.57 million baht due to dividend payments of associated companies during the year and deferred tax assets totaling around 2.88 million baht. In this regard, cash and cash equivalents increased by 7.88 million baht and other items that increased or decreased immaterially resulted in a decrease in overall assets.

- **Total liabilities**

As of December 31, 2023, The Company has total liabilities of 349.89 million baht which decreased from December 31, 2022, by 34.35 million baht or 8.94% due mainly to the decrease from repayment of debt in order to transfer ownership of real estate to customers. Total liabilities mainly comprise overdrafts and long-term loans from financial institutions totaling 271.93 million baht.

- **Total shareholders' equity**

As of December 31, 2023, The Company has total shareholders' equity of 460.38 million baht which increased from December 31, 2022, by 31.76 million baht or 7.41% due to the increase of retained earnings in The Company's for the year of 2023 net profit was 31.76 million baht.

**Key Financial Ratios**

Financial Ratios	As of December 31,	
	2023	2022
Gross profit margin	41.86	36.54
Net profit margin	11.24	2.90
D/E ratio	0.76	0.90

Please be informed accordingly.

Yours sincerely,

Mr. Weeraphan Jakpaison  
Managing Director