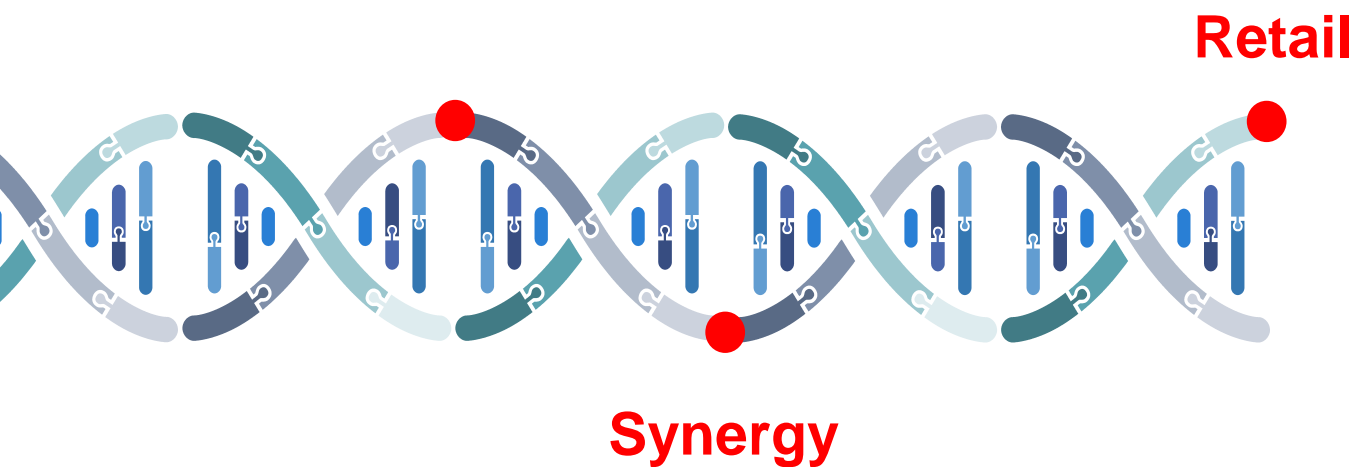




JAS Asset

Management Discussion and Analysis Q2/2020





J63/015

11 August 2020

Subject Management Discussion and Analysis for the second quarter ended 30 June 2020
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. 5/2020, on 11 August 2020. Resolved to approving the financial statements and operating results of the Company for the second quarter ended June 30, 2020. This has been reviewed by the auditor of the company and with the following results.

The Company's performance for the second quarter of 2020 for the Company's consolidated financial statements The Company has a net profit 4.7 million baht increased from the second quarter of 2019 126.2% and the performance of the company for 6 months' net profit 21.3 million baht increased from the same period of the previous year 222.0% The reason that the company has increased net profits is due to revenues management, cost management and cost control. Although in the past Q2/2020, department stores and rental areas had to be closed according to government policy. But the company was able to adjust to its profitable operating results this quarter details as follows:

Performance Summary

	Q2/2562	Q2/2563	Change		6M/2562	6M/2563	Change	
			value	%			value	%
Rental income	119.5	63.3	-56.2	-47.0%	246.3	161.1	-85.3	-34.6%
Revenue from contracts with customers	30.9	32.3	1.4	4.5%	60.3	99.7	39.5	65.5%
Total income	150.4	95.7	-54.7	-36.4%	306.6	260.8	-45.8	-14.9%
Rental cost	108.6	14.8	-93.8	-86.4%	223.8	23.5	-200.3	-89.5%
Cost of Sales	29.2	23.3	-5.9	-20.2%	49.1	68.3	19.2	39.2%
Gross profit	12.5	57.5	45.0	360.0%	33.7	169.0	135.2	400.9%
Other income	10.0	1.9	-8.1	-81.0%	32.0	5.9	-26.1	-81.5%
Selling and distribution expenses	14.3	10.3	-4.0	-28.0%	28.8	25.0	-3.8	-13.2%
Administrative expenses	13.5	14.0	0.5	3.7%	27.0	26.4	-0.7	-2.4%
Operating profit	-5.3	13.8	19.1	360.4%	11.9	47.5	35.6	299.0%
Financial cost	15.0	12.3	-2.7	-17.9%	29.7	27.9	-1.8	-5.9%
Net profit	-18.0	4.7	22.7	126.2%	-17.5	21.3	38.8	222.0%

Rental and Service income

Rental and service income for the second quarter of 2020 is 63.3 million baht decrease from the 2nd quarter of year 2019 47.0% and total income for the 3-month period is 95.7 million baht decrease from the same period of the previous year 36.4%. As a result of the reduction in the number of IT Junction branches that did not meet the target, the rental income decreased. Also, the Company has discount the rental fee to the client who rent the area which has been impacted by the Lock Down.

For operating results for 6 months of 2020, the Company has rental and service income is 161.1 million baht decrease from the same period of the previous year 34.6% and total income is 260.8 million baht decrease from the same period of the previous year 14.9%. In the first half of the year, the company is able to transfer 21 units which has value estimated 55 million baht. The said revenue is the policy of revenue management of the Company's business group.

Cost of rental and service

The Company has rental and service costs for the second quarter of 2020 equal 14.8 million baht decrease from the same period of the previous year 86.4%. While the cost of rental and service for the six-month period of 2020 is 23.5 million baht decrease from the same period last year 89.5 million baht. It was a result of the company reducing the number of IT Junction branches in the part that did not meet the target performance and getting a rental fee discount from the landlord.

Gross Profit

The company had gross profit for the second quarter of 2020 57.5 million baht accounted for the gross profit margin 360.0 which increases from the same quarter of last year. If considering gross profit for the 6 months of 2020 is 169.0 million baht accounted for a percentage of gross profit 400.9% which increases from the same period last year.

Service expenses and administrative expenses

The Company had service and administrative expenses in the second quarter of 2020 10.3 million baht decrease from the 2nd quarter of year 2019 28.0% and for the 6 months of 2020 is 25.0 million

baht or a percentage decrease 13.2% And administrative expenses in the second quarter of 2020 is 14.0 million baht increase from the 2nd quarter of year 2019 3.7% And for the 6 months of 2020 is 26.4 million baht or a percentage decrease 2.4%. Most of the reduced expenses are expenses related to staff expenses. Marketing expenses reduced from the administration during the closing of Lock Down.

Assets

As of 30 June 2020, the Company has total assets 3,101.4 million baht Increase from 2019 791.1 million baht or 34.2%. This is due to the increase in Investment Properties, which is the value of real estate that the Company provides for rental space such as Community Mall and IT Junction rental space.

Liabilities and shareholders' equity

As of 30 June 2020, the Company has total liabilities 1,796.3 million baht Increase from 2019 769.2 million baht or 74.9% which was an increase in lease liability from accounting measure No. 16.

While the shareholders' equity is 1,305.1 million baht. This gives the company a total debt to equity ratio of 1.38 times and interest bearing debt to equity is 0.68 times.

Forward Looking

Q2/2020 is a significant adjustment for the Company's business under the COVID-19 situation. The Company and the Group have jointly found ways to adapt to maintain the operating results. Including the implement of BCP plan for the business.

For the company, there are 2 approaches to management:

1. Managing the Structure of the Revenue, The company added a sales business segment in the past 2019 and the company opened a new shopping center to support future growth.

The company opened a new shopping center, JAS Village, Amata Nakorn, which is located near the Amata Industrial Estate, Chonburi Province. This has started Soft

Please be informed accordingly.

Yours Faithfully,

- *Singed* -

(Mr. Suphot Sirikulapas)
Chief Executive Officer

Mr. Panya Chutisiriwong
Investor Relations

Opening on August 1, 2020, which is an additional income from the business rent in the shopping center business since the third quarter of 2020 onwards. And the company aims to transfer 100% of the units under the Newera condominium project in 2020.

2. Cost and Expenses Control, which is important measures that the company has taken immediately. As well as reducing the cost of utilities employee-related expenses and marketing expenses. This resulted in a significant decrease in the proportion of selling and administrative expenses in the previous quarter of 2020. With the Business Continuity Plan: BCP, the company can still manage its operating performance through the past crisis very well.

Investment Property Projects

14 years of experience in
Rental Properties Management

Jas Asset PROPERTY DEVELOPMENT พุดชื่อนี้มันใจได้



JAS
URBAN
SRINAKARIN

Srinakarin



THE
JAS

Ramintra



THE
JAS

Wanghin



IT Junction
it.kit.kit.go2tofevo.com



J.MARKET

Kaset



JAS
VILLAGE

Amata

