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Financial Highlights

Sources : The Company Only

Unit : Million Baht

	2008	2009	2010
Financial Performance			
Total Revenues	5,429.2	5,019.7	5,180.5
Gross Profit	676.5	701.3	680.9
Net Profit	98.6	75.4	103.5
Total Assets	1,283.7	1,650.9	1,236.9
Total Liabilities	887.6	1,114.4	659.8
Shareholders' Equity	396.1	536.5	577.1
Key Financial Ratio			
Gross Profit Margin	1.82%	1.50%	2.00%
Return on Equity (ROE)	24.90%	14.05%	17.94%
Return on Assets (ROA)	7.68%	4.57%	8.37%
Earning per share (EPS)	0.44	0.28	0.35

Sources : Consolidated F/S

Unit : Million Baht

	2008	2009	2010
Financial Performance			
Total Revenues	5,534.7	5,168.6	5,330.0
Gross Profit	700.1	754.9	708.1
Net Profit	97.0	90.2	95.0
Total Assets	1,371.9	1,773.8	1,388.7
Total Liabilities	941.6	1,188.2	771.1
Shareholders' Equity	430.3	585.6	617.6
Key Financial Ratio			
Gross Profit Margin	1.75%	1.74%	1.78%
Return on Equity (ROE)	22.55%	15.40%	15.39%
Return on Assets (ROA)	7.07%	5.08%	6.84%
Earning per share (EPS)	0.43	0.34	0.32

Note : ROE: Return On Equity

ROA: Return On Assets

EPS: Earnings Per Share

Message from the Board of Directors

Dear Shareholders,

In the year 2010, the status of the Company is one of the listed companies on the Stock Exchange of Thailand. Although the economic was still slow down due to the impact on political, the Company was still able to maintain a profitable as its net profit of Baht 95.04 million, an increase by 5.4% from year 2009. Thus, the Company must change strategies and plan carefully so that the Company can be overcome obstacles and sustain continuous growth in the future.

For the year 2011, JMART plans to expand its distribution network mobile phone retailers in the most comprehensive nationwide. Furthermore, an increase in a variety of products in order to meet the customer needs, whether are a Smartphone, Black Berry or iPhone as well as preparing to support the 3G technology that arrive coming soon. In addition, the result of the rapid expansion in social networking which was growth substantially in the past year, JMART has introduced CC Chat in jFone devices, which is social networking services. This service has enabled jFone devices to use chat and push mail applications, whereby JMART will be service provider and receive revenue share from these new services. The company expects that these services will grow rapidly during 2011 to respond to high market demand. The debt collection and bad debt management business, the company plans to acquire more bad debts to manage. The company is interested in acquiring personal loans, credit card loans and hire purchase loan to manage, which would enable a good growth in the future.

JMART would like to take this opportunity to sincerely thank all shareholders, customer, business partners, management and all employees in helping support the continuous growth of JMART's business. The Company is committed to operate business with professionally and continues to improve the company's competitiveness and capability, including operating a business with social responsibility policy and being a good exemplary for society so that people in the society have a better quality of life.



(Mr. Ptisanu Pongatcha)
Chairman of the Board



(Mr. Adisak Sukhumvitaya)

Directors and Management Biography



Directors and Management Biography

Mr. Pisnu Pong-acha

- Chairman of the Board

Mr. Adisak Sukumvitaya

- Director
- Chief Executive Officer
- Selection and Remuneration Committee

Miss Yuvadee Pong-acha

- Director
- Deputy Chief Executive Officer
 - Operations
- Managing Director JMT Network Services Co., Ltd.

Mrs. Manee Soonthornvatin

- Director
- Executive Committee
- Chief Information Officer

Mr. Pracha Tansaene

- Director

Mr. Phisit Dachanabhirom

- Director
(Independent Director)
- Chairman of Auditor Committee
- Selection and Remuneration Committee

Mr. Dej Bulsuk

- Director

(Independent Director)
- Audit Committee

Mr. Suwit Kingkaew

- Director

(Independent Director)
- Audit Committee
- Chairman of the Selection and Remuneration Committee

Mr. Sirichai Larbmahanond

- Deputy Chief Executive Committee
- Deputy Chief Executive Officer
 - Marketing & Sales

Mrs. Nonglak Laksanapokin

- Executive Committee
- Chief Marketing Officer – Properties Management

Mr. Kittipong Kanokvilairat

- Executive Committee
- Chief Marketing Officer – Products & Sales

Directors and Management Biography

Mr. Pisnu Pong-acha

Chairman of the Board

Age 56

Education

1994 MBA, Rangsit University

Previous Experience

1980-1984	General Manager	Chiang Inn Hotel
Since 1984	Partner Manager	Hahdeng Trading Ltd., Part

Mr. Adisak Sukumvitaya

Director/Chief Executive Officer /Selection and Remuneration Committee

Age 54

Education

1979	B.E. (Economics)	Kasetsart University
1981	MBA (Economics)	Kasetsart University

Seminar

2008	Director Accreditation Program (69/2008)	Thai Institute of Directors Association
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Previous Experience

1981-1984	Research officer	TISCO Securities PCL.
1985-1989	Product Manager	Philips Electronics (Thailand) Ltd.

Miss Yuvadee Pong-acha

Director / Deputy Chief Executive Officer - Operations / MD JMT Network Services Co., Ltd.

Age 54

Education

1978	B.E. (Political Science)	Thammasat University
1980	MBA	Bridgeport University, U.S.A.

Seminar

2008	Director Accreditation Program (69/2008)	Thai Institute of Directors Association
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Previous Experience

1981-1990	Deputy Vice President Money Market	TISCO Securities PCL.
1990-2007	Director, DCEO.	Jaymart PCL.

Mrs. Manee Soonthornvatin

Director / Executive Committee / Chief Information Officer

Age 55

Education

1977	B.E. (Science)	Ramkhamhaeng University
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Seminar

2008	Director Accreditation Program (69/2008)	Thai Institute of Directors Association
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Previous Experience

1993-1997	Manager Support Services	Digital Equipment Corporation (Thailand) Ltd.
1997-2000	Business Operation Manager	Compaq (Thailand) Co., Ltd.

Mr. Pracha Tansaene

Director

Age 49

Education

1984	BBA. (Accounting)	Ramkhamhaeng University
2004	MBA. (Management)	Ramkhamhaeng University
2007	Ph.D. (HR. Development)	Ramkhamhaeng University

Seminar

2007	Director Accreditation Program (66/2007)	Thai Institute of Directors Association
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Previous Experience

1999-2002	Technical Advisor (Financial Planning)	PT.Mobikom Telekomindo Jakarta Indonesia Subsidiary Company of Jasmine International Overseas Co.Ltd.
2002-2002	Chief Operating Officer (C.O.O.)	Yumark Bangkok Co.,Ltd Subsidiary Company of Yumark Enterprise Corporation-Taiwan.
2002-2009	Chief Financial Officer (C.F.O.)	Jay Mart Public Company Limited
2009- Present	Associate Dean for Administration & Planning	King Mongkut's University of Technology North Bangkok

Mr. Phisit Dachanabhirom

Director (Independent Director) / Chairman of Auditor Committee / Selection and Remuneration Committee

Age 70

Education

1964	B.E. (Accounting)	Thammasat University
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Seminar

2004	Director Accreditation Program (13/2004)	Thai Institute of Directors Association
2005	Audit Committee Program (6/2005)	Thai Institute of Directors Association
2007	Director Certification Program (87/2007)	Thai Institute of Directors Association

Previous Experience

1963-2000	Chief Financial Officer Deputy Managing Director Director, Chairman of Audit Committee	Berli Jucker PCL.
2001-Present	Chairman of Executive Committee	Professional Alliance Group Limited.
2003-Present	Director, Chairman of Audit Committee	K-tech Construction Public Company Limited.
2007-Present	Independent Director, Chairman of Auditor Committee	RS. Public Company Limited. K-tech Construction

Mr. Dej Bulsuk

Director (Independent Director)/Audit Committee

Age 60

Education

1973	B.E. (Business Administration)	Thammasat University
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Seminar

2004	Director Accreditation Program	Thai Institute of Directors Association
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Previous Experience

1984-2004	Chairman of the Board	Methai Company Limited (McDonald's Thailand)
2004-2006	Honorary Chairman	Methai Company Limited (McDonald's Thailand)
2001-2006	Chairman	McDonald House Charities Foundation
Since 2004	Chief Executive Officer	CCC Business Development Co., Ltd.

Mr. Suwit Kingkaew

Director (Independent Director)/Audit Committee/ Chairman of the Selection and Remuneration Committee

Age 60

Education

1974	B.E. (Science)	Kasetsart University
1995	MBA.	Kasetsart University

Seminar

2005	Director Certification Program	Thai Institute of Directors Association
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Previous Experience

1974-1980	Plan and Policy Analyst	Office of the National Economic and Social Development Board
1980-1992	Sale Manager	Charoen Pokphand Industry Co., Ltd.
1992-1994	General Manager	Charoen Pokphand Engineering Co., Ltd.
1994-1996	Assistant Vice President	C.P. Seven Eleven PLC.
1996-2007	Deputy Vice President	C.P. Seven Eleven PLC.
Since 2007	Senior Vice President	CP All PLC.

History Executive Committee**Mr. Adisak Sukumvitaya** (As described above)**Miss Yuvadee Pong-acha** (As described above)**Mrs. Manee Soonthornvatin** (As described above)**Mr. Sirichai Larbmahanond**

Deputy Chief Executive Committee / Deputy Chief Executive Officer - Marketing & Sales

Age 51

Education

1983	BBA.	Assumption University
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Previous Experience

1983 – 1984	Executive Trainee	Borneo (Thailand) Co., Ltd.
1984 – 1993	2010 : Marketing & Sale Director	Osothsapa Tek Heng Yoo co., Ltd.
	1988 : Sale Manager	
	1986 : Sale Supervisor	
1993 – 1994	General Manager	S.T.A. Group Plc.
1994 – 2002	1998 : Assistant Managing Director	International Engineering Plc.
	1994 : Sale Director	
2002 – 2004	Managing Director	United Distribution Co., Ltd.
2004 – 2009	2005 : SVP-Head of Distribution Management	Total Access Communication Plc
	2004 : SVP-Head of Sale Division	

Jaymart

Mrs. Nonglak Laksanapokin

Executive Committee / Chief Operating Officer – Properties Management

Age 50

Education

1984	B.E. (Science)	Prince of Songkhla University
1987	M.S. (Science)	Prince of Songkhla University

Seminar

2008	Director Accreditation Program (69/2007)	Thai Institute of Directors Association
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Previous Experience

1994-1997	Operating Manager, Purchase and Human Resources	Technic Telecom Co., Ltd.
1997-1999	Operating Manager, Purchase, Human Resources and Warehouse	M Link Asia Corporation Co., Ltd.

Mr. Kittipong Kanokvilairat

Executive Committee / Chief Marketing Officer – Products & Sales

Age 36

Education

1994	B.E. (Business Administration)	Assumption University
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Seminar

2008	Director Accreditation Program (69/2007)	Thai Institute of Directors Association
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Previous Experience

1995-1996	Marketing Executive	NEC Corporation (Thailand) Limited
1996-2002	Account Manager	Motorola (Thailand) Co., Ltd.
2002-2006	Chief Marketing Officer	Jay mart PLC.
2006-2007	General Manager	Thai Samsung Electronics Co., Ltd.

General Information

JAY MART Public Company Limited

Stock code :	JMART
Head office :	9/121-3, 126-7 UM Tower, 12th Floor, Ramkhamheang road, Suanluang, Suanluang, Bangkok
Tel :	0-2308-8000
Fax :	0-2308-8117
Registration No. :	0107545000055
Website :	www.jaymart.co.th
Type of business :	Distributing Mobile Phone, Accessory, Providing Space Rental and Utilities Service
Registered Capital :	300,000,000 Baht
Paid-up Capital :	300,000,000 Baht Comprise of 300,000,000 common shares, Par value 1 Baht per share

The Subsidiary Company

JMT Network Services Company Limited

Head Office :	9/143-145 UM Tower, 14th Floor, Ramkhamheang Road, Suanluang, Suanluang, Bangkok
Tel :	0-2308-9999, 0-2308-9907
Fax :	0-2308-9900, 0-2308-9941
Registration No :	0105537028181
Website :	www.jmntnetwork.co.th
Type of business :	Debt Collection Business and Non Performing Loan Management
Registered Capital :	80,000,000 Baht
Paid- up Capital :	80,000,000 Baht Comprise of 800,000 common shares, Par value 100 Baht per share

Share Holdings Percentage of JMART : 99.99%

Auditor

Mr. Kosol Yamleemul, Certified Public Accountant Number 4575 or

Mrs. Sumalee Chokdeeanan, Certified Public Accountant Number 3322

Grant Thornton Ltd.

87/1 Capital Tower, All Seasons Place, 18th Floor, Wireless Road, Lumpini, Pathumwan

Bangkok 10330 Tel: 0-2654-3330 Fax: 0-2654-3339

Legal Consultant

Thep Co., Ltd. 1193 EXIM Building, 11th Floor, Room 1107-1108, Phaholyothin Rd., Samsean-nai, Phayathai,

Bangkok 10400 Tel : 0-2278-1683-4

Business Operations

1. Company Background and Development

Founded on 27 December 1988 by Mr. Adisak Sukumvitaya and Miss. Yuvadee Pong-acha, Jay Mart Public Company Limited was first established with registered capital of Baht 2,000,000, initially selling only electrical appliances through financial installments. The Company later penetrated into wholesaling market with major products including television, VCR, and air conditioner.

The Company currently operates retailing and wholesaling business for mobile phone and related products under all major brands from phone manufacturers and network operators. The Company also operates retail space rental business under the name “IT Junction”, subletting retail spaces to mobile phone retailers, stores and vendors, and “J-Venue” which manages shopping malls for general retailing.

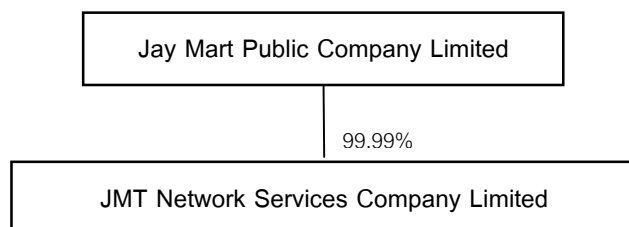
As for the current corporate structure, the Company holds 99.99% in its subsidiary, JMT Network Services Company Limited (“JMT”), which operates debt collection, provides legal services and auctions bad debt from financial institutions to manage and make collection and, in turn, pursuing new profit opportunities.

The Company currently has registered and paid-up capital of Baht 300 Million and started trading its common shares on the Stock Exchange of Thailand since June 25th 2009 under Technology Sector - Information & Communication Technology with the symbol “JMART”.

2. Business Structure

Group Organization Structure

The Company currently operates one subsidiary, JMT Network Services Company Limited (“JMT”), in which the Company holds 99.99% stake and Baht 80 million of paid-up capital.



3. Business Operations of the Company and its subsidiary

Jay Mart Public Company Limited

1. Mobile phones, Mobile accessories, and IT-related business (“Mobile Phone Selling”)

The Company engages in wholesale and retail-sales of mobile phones and all related products of major mobile phone producers such as Nokia, Sony Ericsson, Samsung, and LG. Furthermore, the company initiated its own brand “jFone” and oversees its sales and distribution.

The Company acts as the sales agent or distributor of SIM Card (Subscriber Identification Module) packages and prepaid SIM Card of mobile phone operators including GSM, DTAC, GSM1800 and TRUE MOVE through various distribution channels.

Presently, the Company sells its product in 211 outlets covering Bangkok and its vicinities, as well as major cities in the country such as Chiangmai, Khon-Kaen, Songkla, and Phuket, etc.

The Company sells mobile phones and mobile accessories as sales agents, distributor, or dealer with details of such operation as follow.

Distributor & Dealer Currently, the company is currently officially entitled as the 1st tier retail distributor of mobile phones for the brands Sony Ericsson.

The Company buys from mobile phone producers and sells to retail sellers as well as acting in the role of creating new markets for the mobile phone producers. The Company helps in marketing, sales promotion, and evaluation while managing brands' product inventory in order to equilibrate the supply and demand in the market. The Company receives funding and financial support for promoting sales and passing on information about new mobile phone models from mobile phone producers to targeted consumers of interest.

Retailers The Company whole-buys mobile phones from Distributor & Dealer of various brands to sell at the Company's retail stores. In the case where a brand does not have a distributor, sales agent, or dealer, the Company will buy directly from the mobile phone producer. Presently, the company is officially the main retailer of 4 major mobile phone brands, namely Nokia, Sony Ericsson, Samsung and LG.

2. Retail Space Rental Business

The Company operates in retail space provision and management by renting partial commercial space from owner and sublets the area in smaller units to retail renters. This incorporates administrating and supervising operations of the retail space for the length of term until which the contract expires. The Company organizes an "IT Junction" by renting the retail space within the department section for mobile phone or IT-product of major malls and department stores such as Central, Big-C, HomePro, etc. before subletting the space to other retailers in smaller units. Currently, "IT Junctions" had established itself in 28 locations in Bangkok and other provinces.

JMT Services Company Limited (Subsidiary)

3. Debt Collection and Non-Performing Loans Management ("Debt Collecting Business")

JMT provides debt collection service where non-performing loans becomes inconvenient for creditors to monitor. JMT manages all types of debt such as personal loads, credit card loans, public debt, and service fee debt. Creditor, JMT target customers, will supply JMT with name lists of debtors for further tracking and management.

JMT will perform research on debtors, investigate, and track debtors as well as negotiate on each cases or offering payment options according to the terms and conditions approved by JMT's customer. JMT will receive management fees in percentage fare with the value of debt JMT is able to recover. JMT's main customers include major creditors such as private banks, financial institutions, hire-purchase businesses, and telecommunications, etc.

Apart from Debt Collection Business, JMT manages non-performing loans from financial institutions as well as other hire-purchase business with the policy to reduce the non-performing loan and reduce the cost of debt monitoring and collection. These financial institutions may wish to sell such non-performing loans and terminate their liability on those accounts. Business with debt collection expertise will bid for the NPLs at discount from its full original value. On this respect, JMT's success in debt collection business is due to its extensive data base, experienced staff, and debt management skills having long operated debt collection for over 15 years.

4. Other business

Apart from debt collection and non-performing loans management, JMT also provides other services such as legal service and logistics management under the brand Mr. Speed.

JMT provides professional legal advices relating to debt-related offense by supplying lawyer to represent creditors and place charges against targeted debtors. The company also provided logistics and deliver documents, packages, products transports within Bangkok and vicinity by collecting service fees according to established prices per certain distance.

3. Revenue Structure of the Company and Subsidiary

Revenue Structure of the Company and its subsidiary for the Year 2008 – 2010

Unit: Million Baht

Revenue Structure Categorized by Nature of Business	2008		2009		2010	
	Value	%	Value	%	Value	%
<u>Company</u>						
1. Mobile Phones Business						
- Sales of Mobile Devices	5,055	91.33	4,659	90.13	4,746	89.05
- Other Sales Promotions	211	3.81	164	3.17	169	3.16
- Other Sales-related Business ¹	9	0.16	9	0.18	10	0.18
Total Sales Revenue	5,275	95.30	4,832	93.48	4,925	92.39
2. Retail Space Rental						
- IT Junctions	111	2.01	161	3.13	196	3.68
- J-Avenue	17	0.31	11	0.20		
Total Revenue from Retail Space Management	128	2.31	172	3.33	196	3.68
<u>Subsidiary</u>						
3. Debt collection and Non-performing Loans Management						
- Debt-tracking Service	76	1.37	80	1.55	100	1.88
- Debt acquisition and management	23	0.42	54	1.04	74	1.39
- Other related business ²	13	0.23	23	0.45	27	0.51
Total revenue from debt collection and NPL management Business	112	2.02	157	3.04	201	3.78
Other sources of Revenue						
- Interest revenues	7	0.13	4	0.07		
- Other revenues	13	0.23	4	0.08	8	0.15
Total Revenues from other Sources	20	0.36	8	0.15	8	0.15
Total Revenue	5,535	100.00	5,169	100.00	5,330	100.00

Note: 1. Other business involving sales such as phone repair service, Pay-Point service, and Support Hire Purchase.

2. Other business involving debt collecting operations such as legal services and product transport service.

4. Business Objectives

Sales of Mobile Phones, Accessories and IT-related Business

The Company aims to increase market share in the retail sector and become the leading retail seller of mobile phones, mobile accessories, and IT-related products. This is hoped to be achieved by increasing distribution channel as to reach out to further segments of consumer markets and expanding of outlets into the Modern Trade and IT Junction. Furthermore, the Company sought to represent the top-quality products and plans to offer an extensive variety of product selections to customer, catering to the different demands from different types of consumers. The selection of products that the Company offers will be evolve with the trends of technological consumption and the evolution of consumer's demand especially in the area of 3G technology. On this regard, the Company has the policy to expand new product line in mobile and IT accessories in order to penetrate into new market frontiers.

Retail Space Subletting and Management

The Company manages retail space operations and its "IT Junction" business with goals to increase the presence of its branches in different markets. Return on investment will be thoroughly estimated before any expansion while marketing plans will capture evaluation of the current economic factors. The Company's target area for business are shopping malls, department stores, discount stores, and community malls as the locations of such venues are proven complementary to the shopping style of consumers in the mobile technology and IT sector.

Debt collection and management of non-performing loan

The Company has the goal to maintain its positioning as the leader in debt collection business with aims to cover and more debt value by increasing consumers in the banking segment. This, in turn, will promote expansion of customer's base in both the current and new segments. The Company is continuously developing effective and efficient debt collection methods which prioritize customer's service satisfaction by proficiently developing IT-related system and data collection platform.

Furthermore, the Company has plans to acquire non-performing loans from banks and supervises in collection of related debt as part of the business. Any auction involved will be executed conservatively under the careful risk management policy equipped while the database system for debt collection and debt evaluation will assist in profitable auction.

Risk Factors

The risk factors that for the company's operation that may significantly affect the company's performance as well as the risk prevention measures can be summarized as followed.

1. Risk from mobile phone distribution business

1.1 Risk from obsolete inventories

The company must keep adequate inventories to facilitate product distribution, particularly the product that the company represents. As of 31 December 2010, inventories accounted for 33.9% of the company's assets. The company's major products are mobile phone and accessories, which are technology product that rapidly improve and change to respond to diverse consumer's demand. Each model usually has shelf-life of approximately 20-25 days. Therefore, the company may face the risk of obsolete inventories due to the changes in technology and phone manufacturer issue newer and better model, or the changes in consumer's preferences, which may affect sales or impair value of existing inventories.

The company expects minimal impact from this risk factor as the company has regularly study and survey the customers' demand and behavior as well as any technological changes very carefully. The management has been in the mobile phone business for a long time and has good relationship with mobile phone manufacturers. The company also has good information technology that enables the management to review and analyze inventory at all time. Therefore, the company is confident that it can control and mitigate such risk effectively. The company also applies conservative policy in setting provision for obsolete stocks, which require the company to set full provision for any inventory has low turnover or has been stored for longer than one year. During 2010, the company set Baht 3.59 million of provision for losses from obsolete stock, or 0.07% of total mobile phone, accessories and technology product sales, or 0.76% of total inventory. Such low ratio indicates that the company has efficient inventory management system and has relatively short average age of inventory.

For the new products, the company and mobile phone manufacturers will discuss and plan the sales budget to determine appropriate level of inventory. In case of the deviation from the estimates, the phone manufacturers usually take responsible through various means such as providing compensation, giving free gifts to promote products sales, etc. The compensation will depend on negotiation which may be compensated for part of the losses, or according to the outstanding inventories.

1.2 Risk from reliance on major suppliers

The company mainly buys most mobile phones from the phone manufacturers or dealers of the 4 major brands, Nokia, Sony Ericsson, Samsung and LG. The company must rely on these phone manufacturers. During 2010, Nokia, Sony Ericsson, Samsung and LG accounted for 35%, 7%, 26% and 10%, respectively, of the company's mobile phone sales. Therefore, the company has weak bargaining power against the phone manufacturers. The company could face the risks of not be able to acquire substitute in case of any conflict with the above suppliers. The company may also face the risk in case the phone manufacturers decide to directly sell the products by themselves, both retailing and wholesaling.

Although the company is relying on major phone manufacturers, but the company believe such risk is minimal as most of the major phone manufacturers are large multinational firm who are not specialized in Thai distribution channel, which require them to rely on the local distributors and retailers for marketing planning, distribution and market survey. This

make the relationship between retailers and manufacturers are more collaborative rather than one relying on another. The company also has good long-term relationship with manufacturers, which should enable the company to do business well with them. The risk of manufacturers conducting their own retailing activities is unlikely as they do not have expertise of the Thai market and cannot identify the suitable location properly. Moreover, this could risk damaging good relationship with large retailers, particularly with the distributors who has a lot of outlets. Therefore, the company believes that the phone manufacturers will not conduct its own retailing activities.

1.3 Risk from intense competition in the industry

The company could face risk of the new entrants entering into the mobile phone retailing business. The mobile phone industry does not require huge investment and has fairly simple business structure. The potential new entrants may include big multinational players, operators of the related business, such as mobile phone manufacturers or network operators, or retailers, etc. Therefore, the company may face risk of intense competition that may affect the company's operation. Moreover, the company also faces risk from the substitute products, such as second-hand phone, illegal products, or counterfeit. Due to fast changing technology, some consumers prefer to switch phone frequently, which cause a supply of relatively new used phone in good condition at cheaper price. The illegal and counterfeit products are cheap, which may cause some consumers to buy cheaper substitutes when the economic slowdown, which may risk on sales revenue.

However, the company believes such risk is not significant. There are two barriers to entry to the mobile phone distributing business, which are 1) inability to find suitable location as most suitable locations have all been taken up and 2) lack of trust from the phone manufacturers as the newcomers are not authorized representatives of the phone manufacturers, which put the newcomers at the disadvantage. For the concern that the operators of the related parties may come into the industry, we believe that the phone manufacturers will not conduct their own retailing activities as they are not familiar with the market, cannot find suitable location, and could damage good relationship with large retailers. The network operators usually do some retailing activities in their outlets, but the prime objective is just to support the core network business. Moreover, most wholesalers and distributors currently have their own retailing channels, thus we see very small room for any major entrants into the industry.

In the case of the second-hand market, illegal and counterfeit products, the company see that those markets are large and tend to grow well during economic slowdown. However, the company believes the impact should be minimal as the customers groups are different. Most of the second-hand phone buyers are very price cautious while the company's customers target are focusing on good service and phone quality.

2. Risk from retail space rental business

Risk from reliance on landlord and contract extension. The company operates retail space rental business for mobile phone and technology products section under the name IT Junction. The company lease space from landlord such as department store or hypermarket such as BigC with short-term lease contract of 1-3 years. Therefore, the company may face risk of not receive contract extension or higher rental expenses once the current contracts expire.

However, for the IT Junction rental business model, the company cannot avoid the risk of contract renewal as it is the normal business practice. The company view short-term contract as the factor that could reduce risk of bad location selection which may risk losses from the rental business. Most of the landlord are satisfied with the company's space and has

continued to renew the contract, unless there are landlords that raise rental rate too high that don't justify investment, then the company may refuse to renew the lease.

3. Risk from Debt collection and bad debt management business

Risk from lawsuit resulted from debt collection. The company may risk facing lawsuit from the debtor as a result from debt collection, which may cause conflict with the debtor.

The company has never been sued from the debtors under collection process, as the company provides training and ensures that the debt collection personnel treat debtors politely according to the company and employer's standard. The company believes the risk of being sued by the debtors is unlikely.

4. Risk from bad debt management business

Risk from investment in bad debt The Company buys bad debt from hire-purchase and financial institutes to make collection. The company bought total of 27 portfolios of non-performing loans from three hire purchase companies and three financial institutes. The company may face risk from not be able to collect debt as planned and may face losses.

The company carefully plan before acquiring any bad debts for management. For every purchase, the company will study details of such debts carefully from the selling financial institutes, the company's database and outside information sources to evaluate the amount that the company may collect. As the company has long experience in collecting bad debt, has large database of debtors, and the company will buy only bad debts type that the company is familiar with. Therefore, the company is confident that we can collect debts as target and should justify the risk, which is manageable by the company.

5. Financial risk

5.1 Risk from currency fluctuation

The company imports iPhone products, which accounts for 2.8% of total cost of goods sold during 2010, which valued Baht 112 million. Therefore, the large currency fluctuation may affect the company's operation. During 2010, the company recorded exchanges loss of Baht 1.2 million, or 0.02% of total revenue or 1.3% of net profits. For 2009, the company recorded exchanges losses of Baht 2.3 million, or 0.04 of total revenue or 2.6% of net profits.

However, the company believes the risk of currency fluctuation is limited as the company has policy to prevent currency fluctuation risk by buying future contract, whether by fully hedge or partial hedge. The risk assessment will be decided by the Executive Board, led by Chief Financial Officer.

5.2 Risk from small gross and net profits margin

The company operates on low gross and net profit margin. During 2009 and 2010, the company reported 14.61% and 13.28% gross margin, respectively; and 1.74% and 1.78% net profit margin, respectively. If the company faces environmental business uncertainty, such as product write down or lower marketing supports, the company could immediately go into losses

The company is well-aware of the current business situation that the mobile phone and accessories distribution business, which is the company's core business, yield low margin. During 2010, the company report only 13.28% gross profit margin from mobile phone and accessories distribution business due to intense competition in the industry. The company also has to rely on promotion revenue from phone manufacturers. Therefore, the company is focusing more on higher margin business such as retail space management and debt collection businesses, which offer 15.7% and 39.0% gross profit margin, respectively, in 2010. The retail space management and debt collection businesses currently account for 3.7% and 3.8%, respectively of 2010 total revenue. Therefore, if the revenue contribution from these businesses improves, the company's overall gross profit margin and net profit margin should improve as well. Moreover, the company believe that the mobile phone and accessories distribution business is expanding as the company try to increase market share, if succeed, the company should have more bargaining power with the phone manufacturers, which should result in higher profit margin in the future. During 2010, the company also managed to sell more jFone phones, the house brand mobile phone, which offers higher profit margin than other brands.

Shareholders Structure

Major shareholders

The first 20 major shareholders of Jaymart Public Company Limited

Shareholders	No. of shares	Percent of Total shares
1. Mr. Adisak Sukumvitaya	78,267,146	26.09
2. Miss Yuvadee Pong-acha	70,964,570	23.65
3. Miss Juthamas Sukumvitaya	27,313,132	9.10
4. Mr. Ekachai Sukumvitaya	26,300,000	8.77
5. Mr. suwat Niyonsathien	7,792,800	2.60
6. Mr. Niwes Semvachiravarakorm	7,000,000	2.33
7. Mr. Piranart Chokwatana	4,160,700	1.39
8. Mr. Suti Prasertsrithong	3,000,000	1.00
9. Mr. Adisak Nakhonvattim	2,505,000	0.84
10. Mr. Kiattisak Traitrungrasana	2,200,000	0.73
11. Mr. Naphat Panchakunathorn	2,000,000	0.67
12. Mrs. Vilai Kuptniratsaikul	1,800,000	0.60
13. Mr. Ekapol Thongsri	1,730,000	0.58
14. Mr. Pakorn Yuenyongrattanakorm	1,500,000	0.50
15. Mr. Weerapan Ngowthammatas	1,490,000	0.50
16. Mr. Sompong Chonecadeebumrongkul	1,489,000	0.50
17. Miss Pornpit Itthiya	1,403,500	0.47
18. Mr. Somsak Kuptniratsaikul	1,335,000	0.45
19. Mr. Vorapong Assavadilokkul	1,078,000	0.36
20. Mr. Supoj Harnpratak	1,050,000	0.35
Total Paid –up Capital	244,378,848	81.48

Remarks: The information from Jaymart Public Company Limited as of the book closing date on November 30, 2010.

Organizational Structure

As at 31 December 2010, the Company's structure comprises of Board of Director and Sub-Committee, the Company's Committee consists of 4 groups, which are ;

1. Board of Directors
2. Selection and Remuneration Committee
3. Audit Committee
4. Executive Committee

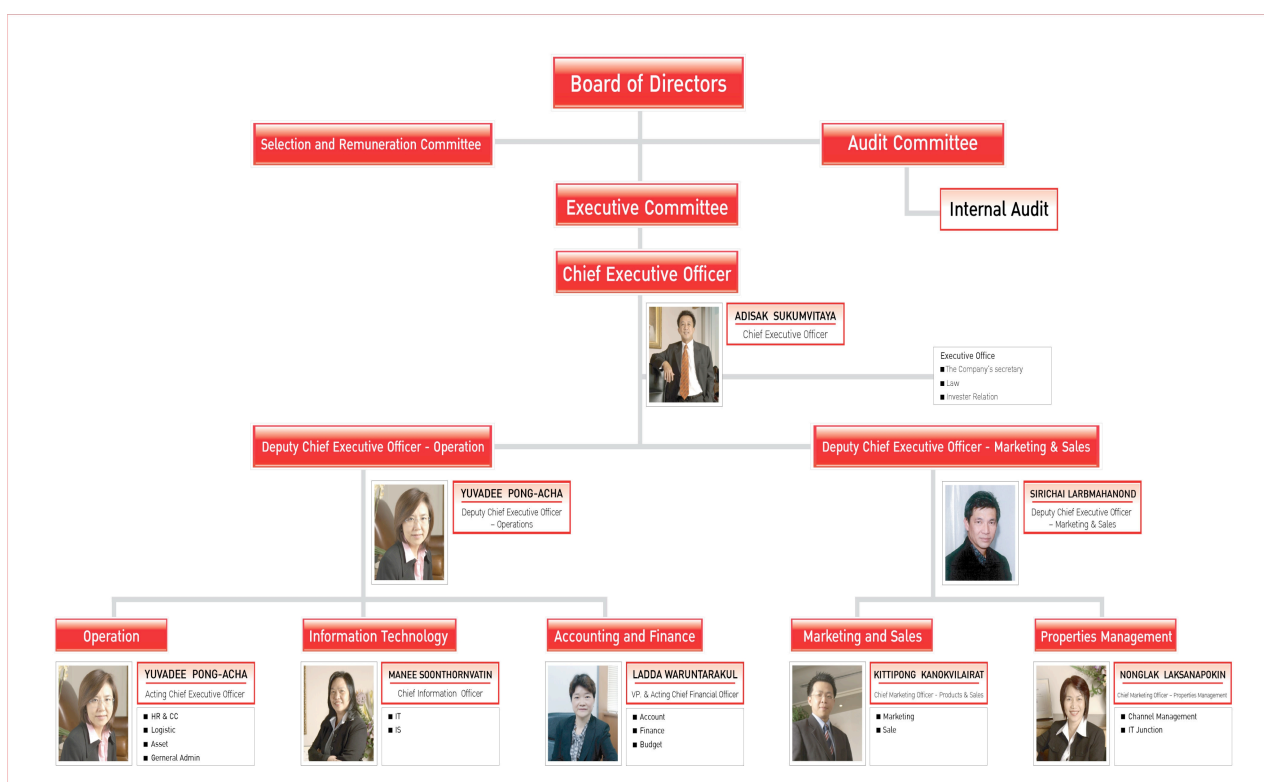


Figure 1's management structure is Jay Mart Public company limited.

Board of Directors

As of 31 December 2010, the Company's Board of Directors comprised of 8 members, which are;

1. Mr. Pisnu	Pong-acha	<i>Chairman of the Board</i>
2. Mr. Adisak	Sukumvitaya	<i>Director</i>
3. Miss Yuvadee	Pong-acha	<i>Director</i>
4. Mrs. Manee	Soonthornvatin	<i>Director</i>
5. Mr. Pracha	Tansaenee	<i>Director</i>
6. Mr. Phisit	Dachanabhirom	<i>Chairman of Audit Committee/Independent Director</i>
7. Mr. Dej	Bulsuk	<i>Audit committee/Independent Director</i>
8. Mr. Suwit	Kingkaew	<i>Audit Committee/Independent Director</i>

Miss ladda Waruntarakul is the *secretary of the Board of Directors*

Authorized directors according to the Company's certificate

To bind the Company in any obligation, Mr. Adisak Sukumvitaya or Miss. Yuvadee Pong-acha or Mr. Pisnu Pong-acha co-signs with Mrs. Manee Soonthornvatin with the Company's seal.

Scope of responsibilities of the Board of Director

1. To ensure that the business operation is consistent with the country's laws, the Company's objective and regulations, and shareholders resolution.
2. Authority to appoint the Company's directors and/or management. The Board may appoint other person to act on behalf of the Board and remain under the Board's supervision. The Board can cancel, withdraw, change, or amend those authorities as appropriate.
3. Determine goal, guideline, policy, operational plan and the Company's budget. The Board also supervises the management and other persons who are assigned to ensure that the Board's policies are carried out.
4. Review, inspect and approve policies, strategies, business plan and major investment projects proposed by the management.
5. Follow up to ensure that operations are inline with business plan and budget.
6. Approve investment in business expansion, merger with other operators or investment in other businesses.
7. Determine policies, business strategies, and supervise the business operations of the Company and/or subsidiaries.
8. Determine company's regulations.
9. Determine and approve affairs that are crucial to the Company or the activities that may benefit the Company.

Selection and remuneration committee

As of 31 December 2010, the Company's selection and remuneration committee comprised of 3 members, which are;

- | | | |
|---------------|---------------|---|
| 1. Mr. Suwit | Kingkaew | <i>Chairman of the selection and remuneration committee</i> |
| 2. Mr. Adisak | Sukumvitaya | <i>selection and remuneration committee</i> |
| 3. Mr. Phisit | Dachanabhirom | <i>selection and remuneration committee</i> |
- Mr. Suphot Wanna is the *secretary of the selection and remuneration committee*

Scope of responsibilities of the selection and remuneration committee

1. Recruit, select and propose candidates to take director positions and propose to directors and shareholders in the event of vacancy, retirement by rotation and other incidents.
2. Recruit, select and propose candidates to take chief executive officer positions in the event of vacancy and determine succession plan for top-level management.
3. Propose appropriate remuneration policy and remuneration and benefits guideline for the Board members, sub-committee, chief executive officer and management and consistent with the Company's performance and market condition.
4. Evaluate the Company's success to determine bonus and annual salary raise.
5. Review salary and benefit structure of the Company.
6. Other activities as assigned by the Company's Board of Directors.

Audit Committee

As of 31 December 2010, the Company's Audit Committee comprised of 3 members, which are;

- | | | |
|---------------|---------------|------------------------------------|
| 1. Mr. Phisit | Dachanabhirom | <i>Chairman of Audit Committee</i> |
| 2. Mr. Dej | Bulsuk | <i>Audit Committee</i> |
| 3. Mr. Suwit | Kingkaew | <i>Audit Committee</i> |

Miss Chuleewan Hawichit is the *secretary of the Audit Committee*

Scope of responsibilities of the Audit Committee

1. Review that the Company has complete and adequate financial information disclosure.
2. Ensure that the Company has appropriate and efficient internal control and internal audit systems.
3. Ensure that the Company's operations are consistent with the laws concerning Securities and Securities Exchange Act, the regulations of the Stock Exchange of Thailand, and laws relevant to the Company's business.
4. Select and propose accounting auditors and their remuneration.
5. Review and approve connected transaction and/or asset acquisition or disposal of the Company or subsidiary. Ensure complete and accurate information disclosure in an event of connected transaction or the transaction that may cause conflict of interests.
6. Act on other business as assigned by the Board and/or deems appropriate by the Audit Committee.
7. Prepare report of Audit Committee and disclose it in the Company's annual report.
8. Review performance of the Audit Committee
9. Other activities as assigned by the Company's Board of Directors.

Executive Committee

As of 31 December 2010, the Company's executive committee comprised of 6 members, which are;

- | | | |
|------------------|----------------|--|
| 1. Mr. Adisak | Sukumvitaya | <i>Chairman of the Executive Committee</i> |
| 2. Mr. Sirichai | Larbmahanond | <i>Deputy Chief Executive Committee</i> |
| 3. Miss Yuvadee | Pong-acha | <i>Executive Committee</i> |
| 4. Mrs. Manee | Soonthornvatin | <i>Executive Committee</i> |
| 5. Mrs. Nonglak | Laksanapokin | <i>Executive Committee</i> |
| 6. Mr. Kittipong | Kanokvilairat | <i>Executive Committee</i> |

Mr. Suphot Wanna is the *secretary of the Executive Committee*

Scope of responsibilities of the executive committee

1. Consider and determine business policies, directions, strategies, management structure and principle, as well as follow up on the business progress.
2. Determine business plan, budget and management authority and propose the plan for Board approval.
3. Review, follow-up and act to ensure that the Company's policy and guideline are carried out efficiently.
4. Determine employee's remuneration and salary structure.
5. Determine the Company's corporate structure, and consider executive board member and top management appointment.
6. Review and approve budget allocation as approved by the Board.
7. Other activities as assigned by the Company's Board of Directors.

Directors and Executive' Remuneration

1) Directors' remuneration

Eight Board of Directors was appointed by the 2/2007 Shareholders' Meeting, dated 26 March 2007. The 5/2007 Board meeting, dated 20 November 2007, resolved to approve directors' remuneration for the amount no more than Baht 5 million. The Chairman of the Audit Committee and the Audit Committees are also eligible for the remuneration as part of the company's Board of Directors.

In 2010, the company pays for the Directors' remuneration in fixed payment.

Name		Position	2009
1. Mr. Pisnu	Pong-acha	<i>Chairman of the Board</i>	540,000
2. Mr. Adisak	Sukumvitaya	<i>Director</i>	300,000
3. Miss Yuvadee	Pong-acha	<i>Director</i>	300,000
4. Mrs. Manee	Soonthornvatin	<i>Director</i>	300,000
5. Mr. Pracha*	Tansaenee	<i>Director</i>	225,000
6. Mr. Phisit	Dachanabhirom	<i>Chairman of Audit Committee/Independent Director</i>	540,000
7. Mr. Suwit	Kingkaew	<i>Audit committee/Independent Director</i>	300,000
8. Mr. Dej	Bulsuk	<i>Audit Committee/Independent Director</i>	480,000
9. Mr. Pichit*	imkul	<i>Audit Committee/Independent Director</i>	50,000
Total			3,035,000

* Mr. Pracha Tansanee was appointed as the company's director on 9 April 2010 to replace Mr. Sutee Tantivanichanon who resigned from the company's Board of Directors, effective from 31 December 2009.

* Mr. Pichit imkul who resigned from the company's Board of Directors, effective from 9 April 2010

2) Executives' remuneration.

Total remuneration for six executives for the period ended 31 December 2010 were at Baht 26,129,813.00 which comprised of salary, bonus and other remuneration such as commission, position fees, transportation, social securities, provident funds and other remuneration paid with the salary. Executive refer to Executive Committee and the company's management according to the definition of the Office of Securities Exchange Commission.

Good Corporate Governance Report

To comply with the Code of Best Practices, the Company has determined policies concerning corporate governance to ensure transparency in all level of organization, from operational employees to the Board of Directors. The policies lay a crucial foundation to improve efficiency and effectiveness of business operation that will benefit the Company and shareholders in a long run. Therefore, the Company has completely complied with all 15 Code of Best Practices guideline provided by the Stock Exchange of Thailand.

1. Policies concerning corporate governance

The Company's Board of Directors understands the importance of good corporate governance, internal standard and compliance with the policies of the Stock Exchange of Thailand. The Board appoints Audit Committee to audit and control the Company's affairs to promote good organization culture and business ethics. The Board is confident that good corporate governance practice will help support the Company's operation and is one of the key objectives that will maximize shareholders wealth.

The values that the Company expects every directors and employees to keep in mind in every mission are:

- 1.1 Operate professionally, faithfully and ethically.
- 1.2 Create harmonious and cooperative workplace.
- 1.3 Follow good work practices to develop the Company, nations and society.
- 1.4 Cooperate and be flexible to respond to every situation.

2. Rights and equitable treatments of shareholders

From 2002, after the Company has been converted into the public company limited status, the Company has sent meeting invitation along with documents at least 7 days prior to the meeting to comply with the legal requirement. Moreover, the Company has a policy to treat all shareholders on equitable basis. The shareholders can freely select director, vote on agendas and raised any comments and questions in the meeting according to the meeting regulation. Every shareholder will have equal right to receive complete and accurate information on timely basis. Every shareholder will be able to check out the information.

Moreover, after the Company is listed in the Stock Exchange of Thailand, the Company plan to increase options for the shareholders by appointing independent directors to receive proxy from the shareholders in case the shareholders cannot attend the meeting.

3. Rights of the stakeholders

The Company respects the rights of every stakeholder, whether the internal stakeholders such as employees and management of the Company and subsidiary, or external stakeholders such as customers, trade partners, competitors, creditors, regulators and other related agencies. The Company has complied with relevant laws and regulations to preserve rights of the above stakeholders. The Company has treated employees fairly by offering appropriate compensation; bought products and services from suppliers and acted according to the contract terms; cared and responsible for customers and keep their confidentiality, etc. The Company's code of ethics also indicates the practices that considered ethical competition that

will not seek competitor's confidential information by unethical and inappropriate means. The Company has a policy to operate business and grow with the community.

4. The shareholders meeting

The Company sends meeting invitation and documents concerning relevant agendas to the shareholders at least 7 days prior to the shareholders' meeting. The Company has a policy to give shareholders equal rights to check on business operation, give suggestion or raise questions. The Company records important questions and comments in the shareholders' meeting minutes. Moreover, after the Company is listed in the Stock Exchange of Thailand, the Company has a policy to appoint independent directors to take proxy from the shareholders in case the shareholders cannot participate in the meeting. The Chairman of the Audit Committee and the Chairman of the Board should participate in every Board meeting and Audit Committee meeting according to the good corporate governance practice.

5. Leadership and vision

The Board of Directors comprises of knowledgeable, skilled and experienced personnel in the business that determine policy, vision, strategies, objective, mission, business plan and the Company's budgets. The Board also ensures that the management performs in accordance with the stated policy efficiently and effectively within the scope of laws, the Company's regulation and the shareholders' resolution. The Board will perform duties responsibly and prudently according to the Code of Best Practices to maximize economic value and shareholders' value. Moreover, the Company gave importance to the internal audit system, internal audit process, appropriate risk management measures and traceable system to make sure the operation is in compliance with the law, and the Company has good audit system to maximize benefit for the Company. Moreover, the Board of Directors clearly determines the roles and responsibilities of the Board of Directors, Audit Committee, Executive Committee and Chief Executive Officers.

6. Conflict of Interest

The Board of Directors and management has prudently and ethically eliminate conflict of interest problem under the scope of good ethical guideline for the best interest of the Company. The guidelines are practiced to create transparency and prevent abusing authority for personal gain. The Company has regulations to prevent directors, management and operational employees to use undisclosed insider's information of the Company and subsidiary for personal benefit. Moreover, if there is related transaction or transaction concerning asset acquisition or disposal of the Company or subsidiary, the Company will carry out the transaction according to the criteria and procedures stated by the Stock Exchange of Thailand.

7. Business ethics

The Company is committed to act ethically. Every director, management and employee has obligation to perform duties with accountability within the scope of laws and personal responsibilities. Everyone must prudently act on any transaction and withhold from any action that may damage the Company and society, despite the action may perceived to benefit the Company. The Company provided director and employee code of conduct and code of business ethics for the employee to follow. Both codes were approved by the Board of Directors on 20 November 2007.

8. Balance of power

The Board of Directors consists of 8 directors, which are

8.1 executive directors

8.2 non-executive director

8.3 independent directors and audit committees, or 37.50% of the Board of Directors.

9. Position aggregation or segregation

The Chairman of the Board is not the same person as the Chief Executive Officer to enable balance of power and management audit process. Moreover, more than half of the Board comprises of non-executive director and independent directors to efficiently determine business policy. Moreover, the Company clearly determines scope of responsibilities, duties and responsibilities of the Chief Executive Officer to prevent complete control over the Company.

10. Director and management' s remuneration

The Company set up a committee to consider benefits and remuneration for the management staffs ranked Chief Executive Officer or higher. The remuneration committee will consider fair remuneration to benchmark with the Company in the same industry with similar size. The remuneration will also consider the Company' s performance. The remuneration must be in appropriate level to retain staffs depending on their responsibilities. The Company also discloses remuneration paid to directors and managements as determined by the Office of Securities Exchange Commission and the Stock Exchange of Thailand.

11. Board meeting

The Company requires that the meeting invitation, along with enclosed documents, must be distributed to the directors for consideration at least 7 days prior to the meeting according to the legal requirement. During 2010, the Board met 7 times and made board-certified meeting minutes for every meeting and keep them for further reference from directors and related persons.

12. Sub-committee

The Company appointed Audit Committee to oversee corporate governance activities. The Audit Committee comprises of 3 independent directors with one of them is knowledgeable in account or finance. The Audit Committee has scope of responsibilities and authorities as specified in the Responsibilities and Authorities of Audit Committee. Moreover, the Company also appoints other sub-committee to oversee various businesses, as follow.

12.1 Management Subcommittee has duties to manage general affair, propose annual budget and employee appointment to the Board of Directors.

12.2 Cost Control Subcommittee has duties to control cost as planned in the budget and propose budget to the Board of Directors.

12.3 Disciplinary & Grievance Subcommittee has duties to accept and consider grievance from employee and trade partners and consider any employee fraud or corruption.

12.4 Inventory Subcommittee has duties to control level of inventories to plan and propose the inventories management guideline to the marketing and sales division.

12.5 Information & Networking Security Steering Subcommittee has duties to plan network securities policies and objectives.

13. Internal audit system

The Company determined duties, responsibilities and authorities of every operator and management in written. The Company ensures that the resources are used to benefit the Company, there is segregation of authorities of the operator, controller and evaluator to ensure appropriate check and balance. The Company has internal audit department to audit, plan, follow-up and coordinate to ensure that the Company's core operations are consistent with the determined guideline and are carried out efficiently. The internal audit department is independent and can perform audit responsibilities independently. The internal audit department reports directly to the Audit Committee.

In 2010, the Company has hired outsource internal auditor is Earnings & Young office Limited under the supervision of the Audit Committee. In every internal audit activities, the auditor must report findings and suggestions directly to the Audit Committee by having internal audit system plan in the company and also subsidiary company in every quarter.

14. Reports of the Board of Directors

The Board of Directors is responsible for the Company's consolidated financial statements of the Company and subsidiaries and any information appears in the annual report. The Board must provide adequate internal audit measures to ensure accurate, complete and adequate financial information to maintain the Company's assets, to understand the weakness and to prevent any fraud or any significant abnormal activities. The Board meeting no. 1/2002, dated 29 March 2002, the Board appointed the Audit Committee to responsible for quality of financial reports and internal audit system.

15. Investors' relation

After the Company is listed in the Stock Exchange of Thailand, the Company shall establish investors relation to ensure accurate, complete, transparent and equal information disclosure on the financial information and other information that may affect the Company's share price. The investors' relation unit will disseminate the Company's information to investors and public via various channels.

However, the Company is preparing corporate governance guideline for the above guideline, which will be reviewed by the Audit Committee before being proposed to the Company's director for final approval. Then the corporate governance guideline will be applied for every director, management and employee of the Company and subsidiaries.

Regulations concerning the usage of insider's information

1. The Company's directors, managements, employees and staffs must preserve the Company's secret and/or insider's information.
2. The Company's directors, managements, employees and staffs must not disclose the Company's secret and/or insider's information or make personal or other people's gain, whether directly or indirectly, and whether being compensated or not.
3. The Company's directors, managements, employees and staffs must not trade, transfer or transferred the Company's securities base on the Company's secret and/or insider's information, and/or engage with any activities that use the Company's secret and/or insider's information that could potentially cause damage to the Company, whether directly or indirectly. The requirement shall cover spouse and immature children of the Company's directors, managements, employees and staffs. Violation shall be deemed a serious offense to the Company.

Related Transactions

During 2010 and 2009, the Company has engaged in related transactions, all of which are considered rationally to ensure highest benefit for the Company and shareholders, as if the transactions are done with the third person to prevent any potential conflict of interest and to comply with the regulations stipulated by the Stock Exchange of Thailand. Details of the related transactions are as followed.

Related person / Nature of business / Relationship	Details of transactions	Transaction value (Baht)		Necessity and rationale of the transactions
		2010	2009	
Mr. Pitsanu Pongatcha has following relationship with Jay Mart Pcl. - Chairman of the Board - Brother of Yuvadee Pongatcha - Holds 0.15% of the Company's paid-up capital.	Rent warehouse No.35 Soi Lumsali, Huamark, Bangkok. The contract is valid for 3 years, starting 1 July 2010 to 30 June 2013 at a rental rate of Baht 70,000 per month.	840,000	840,000	The company does not have enough space to store equipment and decorative items. The warehouse is located near the Company's head office, which make it convenient for relocation. The rental rate is charged at market price when compared to nearby area. The Audit Committee sees that the transaction is conducted at market price.
AEON Thana Sinsap (Thailand) Public Company Limited Operates hire purchase, credit card, personal loan business. The company is located at no. 159, 1-2 floor, Sermmitt Tower, Asoke (Sukhumvit 21), Klongton Nua, Wattana, Bangkok 10110. It has following relationship with Jay Mart Pcl. - It has co-director with Jay Mart. Mr. Tej Bulsuk holds independent director of Jay Mart and Independent director audit committee of AEON Thana Sinsap	Space rental ITJ Promotional area in Rayong (Rent fee per day) Referral fees This is fee income for the customers who use hire purchase business through	42,400 7,074,442	77,600 7,160,803	The Company sub-lease area to Aeon. The rental and utility rate is charged at market price when compared with nearby rental space and other lessees. The Audit Committee sees that the transaction is conducted at market price. Hire-purchase business through Aeon is normal business practice which incur as actual. The Audit Committee sees that

Related person / Nature of business / Relationship	Details of transactions	Transaction value (Baht)		Necessity and rationale of the transactions
		2010	2009	
(Thailand) Pcl.	Aeon. The referral fee is collected from Aeon as incurred.			the transaction is conducted at market price.
	Debt collection Debt collection and document delivery service.	25,744,571	19,751,800	Debt collection and document delivery is normal business of JMT, the Company' s subsidiary. The fee is charge at market price, compared to other customers.
JMT Network Services Company Limited Operates debt collection business. Head office is located at 9/143, 144, 145 UM Tower, 14th floor , Ramkamheang, Suan Luang, Bangkok. It has following relationship with Jay Mart Pcl. - Jay Mart Pcl. Hold 99.99% of JMT' s paid-up capital.	Sell mobile phone products.	314,720	96,688	Mobile phone sales is the Company' s normal business operation and is done at market price, which can be compared to other customers.
	Collect management fee for to manage budget, finance and accounting. Give advice for human resource, organization communication and IT function for 1 year. (1 Jan 2010-31 Dec 2010 at Baht 135,000 per month).	1,620,000	2,880,000	The Company provides service for JMT as JMT is the subsidiary. If JMT would conduct all those functions by itself, it will be very costly. The contract is extendable every year with written consent made at least 3 months prior to the expiration. The audit committee deems that the transaction is necessary and rational and should continue in the future. The audit committee will regularly review to ensure that the contract is carried out rationally.
	Loan Interest income	11,644	703,068	According to market interest rates.

Related person / Nature of business / Relationship	Details of transactions	Transaction value (Baht)		Necessity and rationale of the transactions
		2010	2009	
TAS Asset Company Limited operates residential business with head office at 192 Moo 1, Baanpongyang, Mae Rim Samung, Pongyang, Mae Rim District, Chiang Mai Province. It has following relationship with Jay Mart Pcl. - It has co-director and shareholder with Jay Mart. Khun Yuvadee Pongatcha is director and major shareholders of both Jay Mart Pcl. and TAS.	Space rental A4 Room, 12th floor, 15.4 sqm of UM Tower with 1 year duration from 1 Feb 2006-31 Jan 2009 at Baht 3,850 per month.	-	3,850	The Company sub-leased the remaining space to TAS Asset. The rental rate is at market price when compared with nearby space and other lessee. The Audit Committee deems it is at the same rate charged with general customers.
	Sale Asset	-	87,864	Company sale the office equipment in the reasonable and comparable price with the market. The Audit Committee has agree with the sale items and price.

Financial Statements

Responsibilities of the Board toward financial reports

Financial statements and consolidated financial statements of Jay Mart Public Company Limited and subsidiary are prepared according to the Board's policy to have financial statements prepared according to generally accepted accounting standard. The Company selects appropriate accounting policies and practices them consistently and prudently. The Company provides adequate and transparent information disclosure in the notes attached to the financial statements to the best interest of investors and shareholders.

The Board has provided appropriate and efficient risk management and internal audit systems to ensure that the disclosed accounting information is accurate, complete and adequate to maintain assets and prevent any fraud or significant abnormality.

Therefore, the Board has formed Audit Committee to review accounting policies, quality of financial statements, quality of internal audit system, internal control, risk management system and information disclosure. The comment of Audit Committee can be found in the Report of the Audit Committee as shown in the Company's annual report.

Financial statements and consolidated financial statements have been audited by the Company's accounting auditor, Grant Thornton Company Limited. During the review process, the Board has provided any necessary data and documents to enable accounting auditors to be able to audit and express comment according to the accounting standard. The accounting auditor's comments are found in the Report of the Accounting Auditor as shown in the Company's annual report.

The Board believes that the Company's internal audit system are in the satisfactory level and should ensure that the financial statements of Jay Mart Public Company Limited and consolidated financial statements of Jay Mart Public Company Limited and subsidiary for the accounting year ended 31 December 2010 are reliable and are prepared according to the generally accepted accounting principles and any relevant laws and regulations.

Mr. Pisnu Pong-acha
Chairman of the Board

Mr. Adisak Sukumvitaya
Chairman of the Executive Committee

Report of the Audit Committee

The Audit Committee of Jay Mart Public Company Limited comprised of 3 independent directors.

- | | | |
|---------------|---------------|------------------------------------|
| 1. Mr. Phisit | Dachanabhirom | <i>Chairman of Audit Committee</i> |
| 2. Mr. Dej | Bulsuk | <i>Audit Committee</i> |
| 3. Mr. Suwit | Kingkaew | <i>Audit Committee</i> |

Miss Chuleewan Hawichit is the *secretary of the Audit Committee*

During 2010, Audit Committee arranged 6 meetings and has carried out duties according to the relevant guideline, regulation, criteria and law. The committee also determines accounting auditor appointment proposal and remuneration.

The Audit Committee has hired Ernst & Young Corporation Services Limited to be the Company's Internal Auditors. The auditing of such shall cover important working system of the Company; namely, wholesale system, retailed distribution system and revenue collection from the leasing area, and debt auction procedure and debt collection. The Internal Control Division shall perform planning, auditing, and follow-up the results of the internal auditing, namely, general procurement. The results of the internal auditing can be confidently evaluated that the operational system of the Company and its subsidiaries has an efficient internal controlling. The internal control system is good, sufficient, and appropriate with the business situation with high competitiveness. The Audit Committee opined that the Board of Directors and Executives of the Company possess morality and determination to perform their duties to achieve the Company's goal with quality. However, the Audit Committee still determines to improve the Company's internal control system for better performance.

Although there are many factors affecting the Company's operation, the Audit Committee is confident that the Company could manage those factors effectively to result in long – term business growth.

Mr. Phisit Dachanabhirom
Chairman of Audit Committee

Management Discussion and Analysis: MD&A

Operating Result

	Amount (Baht million)		Changes
	2010	2009	YoY(%)
Total revenues	5,330.03	5,168.58	3.12%
Total costs	4,621.97	4,413.62	4.72%
Gross profits	708.06	754.96	-6.21%
Sales and Administration expenses	570.12	596.39	-4.40%
Earnings before interest and tax	137.94	158.57	-13.02%
Net Profits	95.04	90.17	5.40%

Revenue

The Company's total revenues was increased from Baht 5,168.58 million in 2009 to Baht 5,330.03 million in 2010, or increase 3.12%. The increase of revenues is due to the following causes:

1. Sales revenue which is the main revenue for the Company, namely, selling mobile phone, SIM cards, refill cards, and phone accessories was increased from Baht 4,658.48 million in 2009 to Baht 4,746.42 million in 2010, an increase of Baht 87.94 million, or 1.89% due to the increase in selling volume and the expansion of the distribution channels of wholesale.
2. Total revenue from debt collection and other services, and debt investment collection from debtor was increased from Baht 157.17 million in 2009 to Baht 201.21 million in 2010, an increase of Baht 44.04 million, or 28.02% due to the Company has more purchased bad debt to manage by self.
3. Rental revenue which is the revenue from retail space rental in the format of the management of wholesale under brand name "IT Junction". In 2010, the Company had the rental revenue of Baht 195.89 million was increased of Baht 23.96, or 13.94% from year 2009 due to the expansion of space for rent increase to 28 locations in 2010.
4. Sales promotion revenue which received by phone manufacturers of each brand, i.e. revenue on marketing promotion, revenue on promotion activities and revenue on sales commission was increased from Baht 164.03 million in 2009 to Baht 168.67 million in 2010, or 2.83% due to the Company has received the increase of revenue from marketing promotion of each brand to boost sales.

Other revenues was increased from Baht 16.97 million in 2009 to Baht 17.83 million in 2010, an increase of Baht 0.86 million, or 5.07% which similar to the last year.

Cost of sales

In 2010 and 2009, the Company had the cost of sales of Baht 4,621.97 million and Baht 4,413.62 million, respectively. The cost of sales was increased in line with the increase of sales revenue.

The cost of sales comprised of cost of mobile phone and accessories that the Company bought from manufacturers and dealers both domestic and foreign. In addition, the costs of leasing retail space, costs of debt acquisition, and costs of hiring a debt collection agency are also included on the cost of sales.

Sales and Administration expenses

In 2010 and 2009, The Company had the sales and administration expenses of Baht 570.12 million and Baht 596.39 million respectively, which was decreased of Baht 26.27 million, or 4.40% in comparison with the previous year. The decrease in expenses was mainly due to the decrease in marketing management and activities.

Net Profit

In 2010 and 2009, the Company had the gross profit of Baht 708.06 million and Baht 754.96 million respectively, which decreased by 6.21%. The decrease in the gross profit was mainly due to the increase of distribution channels in wholesale.

In 2010 and 2009, the Company had the net profit of Baht 95.04 million and Baht 90.17 million, an increase by 5.40%, representing the EPS of Baht 0.32 and Baht 0.34, respectively.

Financial Status

Assets

As of December 31, 2010, the Company had total assets of Baht 1,388.70 million, divided into current assets of Baht 918.61million, or 66.1% of the total assets and non-current assets of Baht 470.09 million, or 33.9% of total assets. A comparison with the end of 2009, the Company's total assets was decreased of Baht 385.13 million, or 21.7% mainly due to the decrease in current assets of Baht 432.93 million whereas non-current assets was increased of Baht 47.80 million. There are the significant changes of assets in 2010 as the following;

1. Trade accounts receivable - net were Baht 187.61million, or 13.5% of total assets, which was decreased of Baht 21.82 million from the previous year due to the decrease in wholesale. The quality of accounts receivable, the Company had the accounts receivable which were not due and less than 3 months, representing 94.15% of total accounts receivable, and there are only 5.85% overdue for more than 3 months.
2. Inventory – net was Baht 470.34 million, or 33.9% of total assets, which was decreased of Baht 369.65 million from the previous year due to the increase in distribution according to the increase of sales revenue.

Liabilities

As of December 31, 2010, the Company had total liabilities of Baht 771.06 million in comparison with the end of 2009, the decrease of Baht 417.17 million, or 35.1%, which the decrease in current liabilities of Baht 423.12 million where as non-current liabilities was increased of Baht 5.94 million. There are the significant changes of liabilities in 2010 as the following;

1. Bank Overdrafts (O/D) and short-term loan from financial institution of Baht 575.58 million, the decrease of Baht 277.60 million.
2. Trade accounts payable of Baht 86.13 million, the decrease of Baht 141.13 million due to the reduction of orders.

Liquidity

During 2010, the Company had the net increase in cash and cash equivalents of Baht 2.57 million, divided into cash flow details of each activities as the following;

	2010	2009
Cash flow from operating activities	301.51	(260.98)
Cash flow from investing activities	46.18	133.24
Cash flow from financing activities	(345.12)	134.01
Net increase (decrease) in cash and cash equivalents	2.57	6.27

Cash flow from operating activities: In 2010, the Company had net cash provided by operating activities of Baht 301.51 million was mainly as a result of a significant reduction in inventories and accounts payable. For the year 2009, the Company had net cash outflow from operating activities of Baht 260.98 million was mainly due to the increase in inventories and accounts payable.

Cash flow from investing activities: In 2010, the Company had net cash from investing activities of Baht 46.18 million was mainly as a result of the decrease in restricted deposits at financial institutions whereas in 2009, the Company had net cash from investing activities of Baht 133.24 million was mainly as a result of the decrease in restricted deposits at financial institution as well.

Cash flow from financing activities: In 2010, the Company had net cash outflow used in financing activities of Baht 345.12 million was mainly as a result of repayment of short-term loan from financial institution whereas in 2009, the Company had net cash from financing activities of Baht 134.01 million was mainly as a result of the increase of share capital in sales and short-term loan from financial institution.

The Company's current ratio in 2010 increased to 1.29x from 1.19x in 2009 was mainly due to the decrease in short-term loan and accounts payable.

Source of funds

The company's main sources of funds comprised of shareholders' funds and short-term loan from financial institution. As of December 31, 2010, The Company's shareholder's equity in amount of Baht 617.64, an increase of Baht 585.60 million, or 5.5% from the year 2009, which was increased in unappropriated retained earnings of Baht 235.31 million. During 2010, the Company had paid the dividend of 2 times to the Shareholders in the total amount of Baht 63 million, divided into the dividend payment of Baht 45 million for the year 2009, and interim dividend payment of Baht 18 million for the year 2010. As of December 31, 2010, the short-term loan from financial institution in amount of Baht 575.58 million, the decrease of Baht 277.60 million, or 32.5% from the previous year.

Auditing Fee

The Company and its subsidiaries' 2010 Auditing Fee paid to the auditors, personnel or business concerning the auditors or the office of the auditors from Grant Thornton Limited in the previous year amounted for Baht 2.11 million.

2010 Auditing Fee

1. Financial Statement Auditing Fee

Jaymart Public Company Limited	Baht 1.51
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2. Financial Statement Auditing Fee

Jaymart Public Company Limited and its subsidiaries	Baht 2.11
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REPORT OF INDEPENDENT AUDITOR

To the Shareholders of Jay Mart Public Company Limited

I have audited the accompanying consolidated balance sheet of Jay Mart Public Company Limited and subsidiary as at 31 December 2010, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended. I have also audited Jay Mart Public Company Limited's separate balance sheet as at 31 December 2010, and the related statements of income, changes in shareholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements of Jay Mart Public Company Limited and subsidiary, and separate financial statements of Jay Mart Public Company Limited, for the year ended 31 December 2009, presented for comparative purposes, were audited by Mr. Somkid Tiattragul, an auditor in the same office as mine, whose reported dated 24 February 2010 expressed an unqualified opinion.

I have conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all materials respects, the consolidated financial position of Jay Mart Public Company Limited and subsidiary as at 31 December 2010 and their consolidated results of operations and cash flows for the year then ended, and the separate financial position of Jay Mart Public Company Limited at 31 December 2010 and its results of operations and cash flows for the year then ended in conformity with generally accounting principles.

MRS. SUMALEE CHOKDEEANANT

Certified Public Accountant

Registration No. 3322

Bangkok, Thailand

24 February 2011

Jaymart

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS

AS AT 31 DECEMBER 2010 AND 2009

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	2010	2009	2010	2009
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	30,497,937	27,928,551	25,724,575	25,387,908
Trade accounts receivable - net	6	178,214,645	199,549,241	168,882,989	194,256,103
Trade account receivable - related company	28	9,397,729	9,882,501	7,239,892	7,044,364
Inventories - net	7	470,337,852	839,985,270	470,337,852	839,985,270
Accrued income	8	186,762,665	159,088,609	172,304,320	146,629,328
Refundable value added tax		5,177,411	26,186,606	3,348,829	26,186,606
Advance payment for purchasing goods	9	9,176,517	55,258,512	9,176,517	55,258,512
Loan to subsidiary company	28	-	-	50,000,000	-
Other current assets	10	29,050,583	33,666,999	20,569,554	24,818,067
Total Current Assets		918,615,339	1,351,546,289	927,584,528	1,319,566,158
NON - CURRENT ASSETS					
Investments in accounts receivable - net	11	231,846,146	113,283,366	-	-
Restricted deposits with financial institutions	12	18,072,253	103,180,635	17,063,565	95,637,349
Investment in subsidiary company	13	-	-	79,999,800	39,999,300
Building and equipment - net	14	63,196,730	58,310,499	58,751,711	54,449,891
Computer softwares - net	15	10,511,543	7,777,454	8,845,981	3,223,090
Costs of leasehold rights and prepaid rent - net	16	41,386,726	46,342,120	41,386,726	46,342,120
Deposit		105,074,979	93,393,724	103,220,430	91,762,579
Total Non - Current Assets		470,088,377	422,287,798	309,268,213	331,414,329
TOTAL ASSETS		1,388,703,716	1,773,834,087	1,236,852,741	1,650,980,487

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS

AS AT 31 DECEMBER 2010 AND 2009

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	2010	2009	2010	2009
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short - term loans					
from financial institutions	17	575,584,099	853,189,043	475,584,099	794,189,043
Trade accounts payable		86,130,576	227,266,118	85,603,846	221,240,295
Current portion of					
- Liabilities under financial leases and					
hire - purchase agreements	18	636,778	2,953,565	509,713	2,953,565
- Long - term loan	19	1,572,000	1,572,000	1,572,000	1,572,000
Other payable - subsidiary company	28	-	-	24,800	8,764
Accrued expenses	20	39,591,737	32,771,656	31,370,083	26,131,117
Income tax payable		1,452,819	7,916,651	1,452,819	7,916,651
Other current liabilities		8,059,959	10,478,859	5,956,640	8,327,610
Total Current Liabilities		713,027,968	1,136,147,892	602,074,000	1,062,339,045
NON - CURRENT LIABILITIES					
Liabilities under financial leases and					
hire - purchase agreements - net	18	328,250	509,713	-	509,713
Long - term loan - net	19	8,234,000	9,806,000	8,234,000	9,806,000
Rental deposits from related company	28	804,528	804,528	804,528	804,528
Other non - current liabilities	21	48,664,942	40,966,547	48,664,942	40,966,547
Total Non - Current Liabilities		58,031,720	52,086,788	57,703,470	52,086,788
TOTAL LIABILITIES		771,059,688	1,188,234,680	659,777,470	1,114,425,833

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS

AS AT 31 DECEMBER 2010 AND 2009

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	2010	2009	2010	2009
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
<u>(CONTINUE)</u>					
SHAREHOLDERS' EQUITY					
Share capital, common share at Baht 1 par value					
Registered 300,000,000 shares		300,000,000	300,000,000	300,000,000	300,000,000
Fully paid - up 300,000,000 shares	22	300,000,000	300,000,000	300,000,000	300,000,000
Premium on share capital	23	52,330,000	52,330,000	52,330,000	52,330,000
Retained earnings					
Appropriated for statutory reserve	24	30,000,000	30,000,000	30,000,000	30,000,000
Unappropriated		235,313,828	203,268,707	194,745,271	154,224,654
Total Equity of Company's Shareholders		617,643,828	585,598,707	577,075,271	536,554,654
Minority interest in subsidiary company		200	700	-	-
TOTAL SHAREHOLDERS' EQUITY		617,644,028	585,599,407	577,075,271	536,554,654
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY		1,388,703,716	1,773,834,087	1,236,852,741	1,650,980,487

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF INCOME
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit : Baht)

	Notes	CONSOLIDATED F/S		SEPARATE F/S	
		2010	2009	2010	2009
REVENUES FROM SALES AND SERVICES	28				
Sales		4,746,421,788	4,658,478,384	4,746,736,508	4,658,575,071
Income from debts collection and other services		201,210,160	157,168,383	-	-
Rental income		195,889,650	171,925,675	195,889,650	171,925,675
Total revenues		5,143,521,598	4,987,572,442	4,942,626,158	4,830,500,746
COSTS OF SALES AND SERVICES	28, 31				
Costs of sales		4,334,079,894	4,173,525,675	4,334,394,613	4,173,525,675
Costs of debts collection and rent		287,888,344	240,089,278	165,216,918	144,792,082
Total costs of sales and services		4,621,968,238	4,413,614,953	4,499,611,531	4,318,317,757
Gross profit		521,553,360	573,957,489	443,014,627	512,182,989
Sales promotion income	28	168,672,327	164,034,117	168,672,327	164,034,117
Dividend income	28	-	-	49,759,129	5,239,908
Other income	28	17,835,660	16,974,593	17,799,052	17,012,950
Management fee income	28	-	-	1,620,000	2,880,000
Income Before Expenses		708,061,347	754,966,199	680,865,135	701,349,964
Selling expenses	28, 31	(380,619,516)	(396,909,658)	(380,619,516)	(396,909,657)
Administrative expenses	31	(157,688,925)	(168,045,380)	(129,979,584)	(138,407,073)
Executives remuneration	28, 31	(31,816,656)	(31,434,039)	(29,164,813)	(27,581,960)
Total expenses		(570,125,097)	(596,389,077)	(539,763,913)	(562,898,690)
Income Before Financial Costs and Income Tax		137,936,250	158,577,122	141,101,222	138,451,274
Financial costs		(22,331,331)	(36,042,221)	(20,743,663)	(34,504,061)
Income Before Income Tax		115,604,919	122,534,901	120,357,559	103,947,213
Income tax	26	(20,566,422)	(32,363,302)	(16,843,566)	(28,536,381)
Net income for the year		95,038,497	90,171,599	103,513,993	75,410,832
Net income attributable to:					
The Company's shareholders		95,038,497	90,171,599	103,513,993	75,410,832
Minority interests in subsidiary		-	-	-	-
NET INCOME FOR THE YEAR		95,038,497	90,171,599	103,513,993	75,410,832
BASIC EARNINGS PER SHARE					
Net income of the Company per share (Unit : Baht)		0.32	0.34	0.35	0.28
Weighted average number of common shares (Shares)		300,000,000	265,273,973	300,000,000	265,273,973

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit : Baht)

		Paid - up	Premium	Statutory	Inappropriated	Minority	
	Notes	Share	on	reserve	retained	interest	Total
		Capital	share		earnings		
			capital				
<u>CONSOLIDATED</u>							
<u>F/S</u>							
Balance as at 1 January 2009		225,000,000	-	30,000,000	175,347,108	700	430,347,808
Increased share capital	22	75,000,000	-	-	-	-	75,000,000
Premium on increased share capital	23	-	52,330,000	-	-	-	52,330,000
Net income for the year		-	-	-	90,171,599	-	90,171,599
Dividend payment	25	-	-	-	(62,250,000)	-	(62,250,000)
Balance as at 31 December 2009		<u>300,000,000</u>	<u>52,330,000</u>	<u>30,000,000</u>	<u>203,268,707</u>	<u>700</u>	<u>585,599,407</u>
Balance as at 1 January 2010		300,000,000	52,330,000	30,000,000	203,268,707	700	585,599,407
Net income for the year		-	-	-	95,038,497	-	95,038,497
Dividend payment	25	-	-	-	(62,993,376)	-	(62,993,376)
Decrease in minority interest		-	-	-	-	(500)	(500)
Balance as at 31 December 2010		<u>300,000,000</u>	<u>52,330,000</u>	<u>30,000,000</u>	<u>235,313,828</u>	<u>200</u>	<u>617,644,028</u>
<u>SEPARATE F/S</u>							
Balance as at 1 January 2009		225,000,000	-	30,000,000	141,063,822	-	396,063,822
Increased share capital	22	75,000,000	-	-	-	-	75,000,000
Premium on increased share capital	23	-	52,330,000	-	-	-	52,330,000
Net income for the year		-	-	-	75,410,832	-	75,410,832
Dividend payment	25	-	-	-	(62,250,000)	-	(62,250,000)
Balance as at 31 December 2009		<u>300,000,000</u>	<u>52,330,000</u>	<u>30,000,000</u>	<u>154,224,654</u>	<u>-</u>	<u>536,554,654</u>
Balance as at 1 January 2010		300,000,000	52,330,000	30,000,000	154,224,654	-	536,554,654
Net income for the year		-	-	-	103,513,993	-	103,513,993
Dividend payment	25	-	-	-	(62,993,376)	-	(62,993,376)
Balance as at 31 December 2010		<u>300,000,000</u>	<u>52,330,000</u>	<u>30,000,000</u>	<u>194,745,271</u>	<u>-</u>	<u>577,075,271</u>

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Cash flows from operating activities :-				
Income before income tax	115,604,919	122,534,901	120,357,559	103,947,213
Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities :-				
Depreciation and amortization	35,490,336	45,635,746	29,981,214	38,764,684
Loss (gain) on sales of fixed assets	(105,563)	2,893,853	(107,215)	2,879,404
Unrealized loss (gain) on foreign exchange rate	(498,741)	884,651	(498,741)	884,651
Bad debt and allowance (reversal of allowance) for doubtful accounts	(4,773,022)	6,928,232	(2,829,670)	1,967,921
Allowance for decline value of inventories	3,590,676	2,236,792	3,590,676	2,236,792
Inventories written-off	4,800,833	-	4,800,833	-
Assets written off	1,331,393	-	1,331,393	-
Dividend income	-	-	(49,759,129)	(5,239,908)
Interest income	(396,770)	(2,901,012)	(394,416)	(3,489,216)
Interest expense	22,331,331	36,042,221	20,743,663	34,504,062
Cash provided from operating activities before changes in operating assets and liabilities	177,375,392	214,255,384	127,216,167	176,455,603
Decrease (increase) in operating assets:-				
Trade accounts receivable	24,164,346	(66,111,151)	28,202,784	(64,535,867)
Inventories	361,255,910	(351,671,764)	361,255,910	(351,671,764)
Accrued income	(27,806,567)	(35,415,290)	(25,800,998)	(45,457,170)
Trade accounts receivable - related company	484,772	(802,914)	(195,528)	768,655
Refundable value added tax	21,009,195	(26,186,606)	22,837,777	(26,186,606)
Advance payment for purchasing goods	46,081,994	(39,342,498)	46,081,994	(39,342,498)
Loan to subsidiary company	-	-	(50,000,000)	-
Other current assets	5,150,646	(2,425,479)	4,122,238	(347,893)
Investments in accounts receivable	(116,619,428)	(42,238,115)	-	-
Deposit	(11,681,254)	(16,713,811)	(11,457,851)	(16,326,876)
Increase (decrease) in operating liabilities:				
Trade accounts payable	(140,636,801)	165,882,632	(135,137,708)	183,766,177
Other account payable - subsidiary company	-	-	16,036	(2,532)
Accrued expenses	6,820,081	1,631,362	5,238,967	1,112,856
Other current liabilities	(2,316,534)	(544,863)	(2,268,113)	(1,464,127)
Other non - current liabilities	7,698,395	14,504,041	7,698,395	14,504,041
Cash provided from (used in) operating activities	350,980,147	(185,179,072)	377,810,070	(168,728,001)
Cash received from interest	529,280	4,023,782	520,421	4,618,956
Cash paid for interest	(22,632,606)	(36,391,538)	(20,720,244)	(34,853,379)
Income tax paid	(27,366,155)	(43,431,218)	(23,307,399)	(37,598,268)
Net cash provided from (used in) operating activities	301,510,666	(260,978,046)	334,302,848	(236,560,692)

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
(CONTINUE)
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Cash flows from investing activities:-				
Increase in restricted deposits with financial institutions	85,108,381	159,065,084	78,573,783	157,915,816
Proceeds from disposal of fixed assets	157,865	5,656,167	157,865	5,644,839
Cash received from dividend	-	-	49,759,129	5,239,908
Cash paid for purchases of fixed assets	(39,083,641)	(31,480,803)	(36,332,573)	(28,965,982)
Cash paid for additional investments in subsidiary company	-	-	(40,000,500)	-
Net cash provided from investing activities	46,182,605	133,240,448	52,157,704	139,834,581
Cash flows from financing activities:-				
Increase (decrease) in bank overdraft and short - term loans from financial institutions	(277,604,944)	74,907,157	(318,604,944)	43,407,157
Repayment of liabilities under financial leases and hire - purchase agreements	(2,953,565)	(4,401,836)	(2,953,565)	(4,401,836)
Net cash received from increase share capital	-	127,330,000	-	127,330,000
Repayments of long - term loans	(1,572,000)	(1,572,000)	(1,572,000)	(1,572,000)
Dividend paid	(62,993,376)	(62,250,000)	(62,993,376)	(62,250,000)
Net cash provided from (used in) financing activities	(345,123,885)	134,013,321	(386,123,885)	102,513,321
Net increase in cash and cash equivalents	2,569,386	6,275,723	336,667	5,787,210
Cash and cash equivalents - beginning of the year	27,928,551	21,652,828	25,387,908	19,600,698
Cash and cash equivalents - end of the year	30,497,937	27,928,551	25,724,575	25,387,908
Supplemental cash flows information:				
Non - cash transactions:				
Purchases of equipment under financial lease agreements	455,315	-	-	-
A subsidiary company purchased investment in accounts receivable from financial institution by installments				
not affecting the cash flows	-	4,704,956	-	-

The accompanying notes form an integral part of these financial statements.

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2010 AND 2009

1. GENERAL INFORMATION

The Company registered its incorporation in accordance with the Thai Civil and Commercial Code as a limited company in the year 1988. The Company registered the change of its status to a public company and the change of its name to “Jay Mart Public Company Limited” (the Company) on 26 March 2002. The Company registered its shares for trading in the Stock Exchange of Thailand in 25 June 2009. The Company’s registered office is located at 9/121 - 3, 126 - 7 UM - Tower, 12th Floor Ramkhamhaeng Road, Suanluang Sub - District, Suanluang District, Bangkok.

The Company is engaged in the trading of mobile phone, and related accessories and space rental and public utilities service. The space rental is for periods of 1 to 3 years. In addition, the Company has a subsidiary engaged in the purchase of non-performing accounts receivable for debts collection, and debts collection services.

As at 31 December 2010 and 2009, the Company has Major shareholders as follows:

<u>Name</u>	Percentage of Shareholding	
	2010	2009
Mr. Adisak Sukumvittaya	26.1	25.9
Miss Yuwadee Pong – acha	23.7	23.5
Miss Jutamas Sukumvittaya	9.1	9.1
Mr. Aekachai Sukumvittaya	8.8	8.8

2. BASIS OF FINANCIAL STATEMENTS PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 The accompanying financial statements have been prepared in accordance with Thai generally accepted accounting principles issued under the Accounting Act B.E. 2543, accounting standards issued under Accounting Profession Act B.E. 2547, and the regulations promulgated by the Securities and Exchange Commission and the Securities Exchange of Thailand concerning the preparation and the disclosure of financial information, under the Securities and Exchange Act B.E. 2535. The financial statements have been prepared on a historical cost basis except as, otherwise, disclosed specifically.

2.2 The financial statements are officially prepared in Thai language in accordance with statutory requirement with accounting standards enumerated under the Accounting Profession Act B.E. 2547. The translation of these statutory financial statements to other language must be in compliance with the Thai financial report.

2.3 During the year 2010, the Federation of Accounting Professions had announced the new and amendments to some accounting standards and financial reporting standards, which are effective for the accounting periods beginning on or after 1 January 2011 and 1 January 2013. The management is presently considering the

potential impact of adopting and initial application of these new and amended accounting standards and financial reporting standards.

- 2.4 The consolidated financial statements include the separate financial statements of Jay Mart Public Company Limited and JMT Network Services Co., Ltd., a 99.99% subsidiary that is engaged in debts collection business.

The percentage of subsidiary's assets and revenues as included in the consolidated financial statements as at 31 December 2010 and 2009 of Jay Mart Public Company Limited and subsidiary and total revenue fro the year ended 31 December 2010 and 2009, summarized below:

	Percentage of subsidiary's total assets to consolidated total assets		Percentage of subsidiary's total revenues to consolidated total revenues	
	2010	2009	2010	2009
<u>Subsidiary company</u>				
JMT Network Services Company Limited	20	9	4	3

- 2.5 Significant intercompany transactions with subsidiary, included in the consolidated financial statements, have been eliminated.
- 2.6 In the event when subsidiary ceased the operations, the consolidated financial statements included the results of operations of subsidiary up to the date of liquidation.
- 2.7 The consolidated financial statements have been prepared with the same accounting policies for the same accounting transactions or accounting events in the preparation of separate financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated and separate financial statements are set out below:

3.1 Cash and cash equivalents

Cash and cash equivalents represent cash on hand, cash card and deposits with financial institutions with maturities of less than three months without restriction of usage or obligation.

Restricted deposits with financial institutions are presented under non - current assets in the balance sheet.

3.2 Trade accounts receivable

Trade accounts receivable are carried at anticipated realizable value. Allowance for doubtful accounts are based on historical collection experiences and the review of the current status of existing receivables at the year end. Bad debts are written off during the year in which they are identified to be uncollectible.

3.3 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the first - in, first - out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attribute discounts and allowances. Net realizable value is the estimate of the selling price in the ordinary course of business, less necessary costs to make inventories ready for sales. The Company set up provision for obsolete, slow - moving and defective inventories, where necessary, from the consideration of market situation and the aged inventories as follows :

	Allowance for diminution rate	
	2010	2009
Inventory aged between 90 - 180 days	25	25
Inventory aged between 181 - 270 days	25 – 50	25 - 50
Inventory aged between 271 - 365 days	50 – 75	50 -75
Inventory aged over 1 year	100	100

3.4 Investments in accounts receivable

Investments in accounts receivable is carried at purchase cost less cash collection and net of allowance for impairment (if any). The Company recognized loss on impairment of investment when there is an indication that the discounted cash flows of future collection to their present values are lower than net book value.

3.5 Investment in subsidiary company

Investment in subsidiary company is accounted for in the separate financial statements by the cost method. Such investment refers to investment which the Company has all shareholding and under the control and manage by the Company.

3.6 Buildings and Equipment

Buildings and equipment is stated at cost. Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use. Buildings and equipment are presented in the balance sheet at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

The Company and subsidiary depreciates its buildings and equipment by the straight – line method over their estimated useful lives as follows:

	<u>Years</u>
Building improvements	10
Office furniture	5
Office equipments	5
Tools and equipments	3 - 5
Vehicles	5

The Company and subsidiary, depreciate computer equipment acquired in the year 2006 onward, by the straight – line method over their estimate useful lives of 3 years.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the cost is written down immediately to its recoverable amount. Estimated recoverable amount is calculated from the anticipated discounted cash flows to their present value from the continuing use of the assets or the amount obtainable from the sale of the assets less any costs of disposal whichever is higher.

Gains and losses on disposal of equipment are determined by reference to their carrying amount compared to the selling price and are taken into account in statement of income.

Expenditures for expansion, renewal and betterment, which result in a substantial increase in an asset current replacement value, are capitalized. Repair and maintenance costs are recognized as an expense when incurred.

3.7 Computer softwares

Computer softwares with specific useful lives are recorded at costs less accumulated amortisation and allowance for impairment (if any). Amortisation is charged to the statement of income on a straight-line basis over the estimated useful lives of the computer softwares for 5 years.

3.8 Leasehold rights cost

Cost of obtaining the leasehold rights is presented at cost less accumulated amortization and allowance for impairment (if any). Amortisation is charged to the statement of income on a straight-line basis over the estimated useful lives of the leasehold rights for 6 to 26 years.

3.9 Hire purchases payable

Liabilities under hire - purchase contracts are presented with the contracted amounts less deferred interest. The hire purchase contracts are for 36 months. The fixed assets acquired under hire purchase agreements are recorded as assets of the Company at their cash price. The Company will register the assets in the name of the Company upon the completion of payments.

3.10 Long - term leases - where Company and subsidiary are the lessee

Leases of equipment where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the fair value of leases of assets or estimated present value of the underlying lease payments whichever is lower. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the outstanding finance balance. Future lease payments net of financial charges are recognized as liabilities under financial lease agreements. The

financial expense is charged to statement of income over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of income on a straight - line basis over the lease period. When an operating lease is terminated before expiry date of the lease period, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

3.11 Long - term leases - where Company and subsidiary are the lessor

Assets leased out under operating leases are recorded as assets under “building and equipment” in the balance sheet. The Company calculates depreciation of these assets over their expected useful lives on a basis consistent with other similar assets. Rental income is recognized on a straight - line basis over the lease period.

3.12 Revenue recognition

Sales are recognized upon delivery of merchandises to customers, net of sales taxes and discounts.

Interest income and other income are recognized on an accrual basis.

Rental income and facilities services income are recognized under the term of the agreements.

Sales promotion and incentive income is recognized as income when obtained approval from suppliers.

Dividend income is recognized upon the declaration of the right to receive.

The subsidiary company recognizes services income from debt collection when services are rendered to the customers based on the agreed rates.

Revenues from investments in accounts receivable are recognized based on the amortized value of investments in receivable for each period by using effective rates. Estimate recoverable amounts of investments in accounts receivable are calculated from the anticipated discounted cash flows from collections to their present value. The subsidiary company regularly re-assesses its cash flows from collection of investments in accounts receivable and recognizes loss on impairment immediately, when there is an indication of significant decrease cash flows.

In the event of the increase in estimated cash flows, the subsidiary company will re-calculate the new effective rates of investments in account receivable from the period of changes with the reversal of loss on impairment before using the new effective rates.

3.13 Employee Remuneration

Salaries, wages, bonuses contraction to the social security and provident fund are recognised as expenses when incurred.

3.14 Provident fund

The Company and subsidiary set up a registered provident fund contributed by employees and by the Company for which assets are held in a separate trustee fund and manages by authorized fund manager.

The Company contributions are charged to the statement of income in the period in which they relate.

3.15 Income tax

The computation of corporate income tax in compliance with the Revenue Code, is based on the taxable profit for the year after adding back expenses that are not deductible in determining taxable profit and the deduction of exempted income, according to the Revenue Code.

3.16 Foreign currency translation

The Company and subsidiary translated foreign currency transactions into Thai Baht for bookkeeping purposes at the exchange rates prevailing at the dates of the transactions. Balances of monetary assets and liabilities, denominated in foreign currency, at the balance sheet date are translated into Baht at the exchange rates at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities, denominated in foreign currencies, are recognized as gain or loss in the statement of income.

3.17 Financial instruments

Financial assets in the balance sheet include cash and bank balances, investments and trade accounts receivable.

Financial liabilities in the balance sheet include trade accounts payable, financial leases and borrowings.

The accounting policies for each particular transaction are disclosed under separate sections associated with each item.

3.18 Segment information

Segment information is presented in respect of the Company and subsidiary businesses. The primary format of business segments are based on the Company and subsidiary management and internal reporting structure.

3.19 Dividend payment

The Company and subsidiary record dividend payment in the financial statements in the fiscal year in which they are approved by the Shareholders or Board of Directors.

3.20 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

3.21 Use of accounting estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reporting amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The actual result may differ from those estimates.

3.22 Basic earnings per share

Basic earnings per share is determined by dividing net income for the year by the weighted average number of common shares paid up during the year.

3.23 Provisions for liabilities and expenses, and contingent assets

The Company and subsidiary recognize provisions for liabilities and expenses in the financial statements when the Company and subsidiary have present legal or constructive obligations as a result of past events with probable outflow of resources to settle the obligation, and where a reliable estimate of the amount can be made. The contingent asset will be recognized as a separate asset only when the realization is virtually certain.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENT AND CAPITAL RISK MANAGEMENT

4.1 Critical accounting estimates, assumption and judgements

Estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances as follows:

4.1.1 Impairment of receivables

The Company accounts for allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of receivables. The estimated losses are based on uncertainty in the collection and consider of the management.

4.1.2 Allowance for obsolete, slow-moving and defective inventories

The Company estimates an allowance for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnovers and deterioration of each category.

4.1.3 Buildings and equipment and computer software

Management regularly determines the estimated useful lives and residual values for the Company's buildings and equipment and computer software, and will revise the depreciation and amortization charge where useful lives and residual values previously estimated have changed or subject to be written down for impairment or no longer in used.

4.1.4 Leases

In determining whether a lease is to be classified as an operating lease or financing lease, management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

4.1.5 Impairment of assets

The Company consider asset as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires management judgement.

4.1.6 Estimated cash flow collection from Investment in account receivable

Estimated cash flows from collection in the future of investments are calculated with effective interest rate using historical information of debt collection and payment ability from debtors including consider the collection period from current situation assessed by management.

4.2 Capital risk management

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may issue new shares or issue new shares or sell assets to reduce debts.

5. CASH AND CASH EQUIVALENTS

The outstanding balances as at 31 December 2010 and 2009 are as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Cash on hand	10,000	10,000	-	-
Undeposited collection from sales	14,398,245	16,869,644	14,398,245	16,869,644
Cash cards	48,694	16,671	48,694	16,671
Bank deposits - current accounts	15,818,876	10,795,803	11,123,488	8,267,933
Bank deposits - saving accounts	222,122	236,433	154,148	233,660
Total	30,497,937	27,928,551	25,724,575	25,387,908

Saving deposits with banks bear interest at the floating rate of depository banks.

6. TRADE ACCOUNTS RECEIVABLE

The aged balances of accounts receivable as at 31 December 2010 and 2009 are as follows :

Ages of receivables	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Not yet due	116,867,799	152,246,701	108,875,363	148,340,850
Past due				
Less than 3 months	50,927,712	45,161,888	49,626,242	43,774,602
3 - 6 months	9,139,472	293,380	9,120,222	293,380
6 - 12 months	1,093,286	1,956,578	1,074,786	1,956,577
Over 12 months	186,376	1,920,894	186,376	1,920,894
Total	178,214,645	201,579,441	168,882,989	196,286,303
Less : Allowance for doubtful accounts	-	(2,030,200)	-	(2,030,200)
Trade accounts receivable - net	178,214,645	199,549,241	168,882,989	194,256,103

The balances of accounts receivable classified by type of business are as follows:

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Trade accounts receivable - Sales	162,522,529	192,781,670	162,522,529	192,781,670
- Rental and Services	6,360,460	3,504,633	6,360,460	3,504,633
- Debt collection services	9,331,656	5,293,138	-	-
Total	178,214,645	201,579,441	168,882,989	196,286,303
Less : Allowance for doubtful accounts	-	(2,030,200)	-	(2,030,200)
Trade accounts receivable – net	178,214,645	199,549,241	168,882,989	194,256,103

The Company regularly evaluates risk factor from the collection of receivables.

7. INVENTORIES

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE F/S	
	2010	2009
Inventories	489,555,615	855,612,357
Less : Allowance for obsolete inventories	(19,217,763)	(15,627,087)
Inventories – net	470,337,852	839,985,270

During the year, the movements in allowance for obsolete inventories are as follows :

	(Unit : Baht)
Balance as at 1 January 2010	15,627,087
Add : Additional provision for obsolete inventories during the year	19,217,763
Less : Reversal of allowance for obsolete inventories	(15,627,087)
Balance as at 31 December 2010	19,217,763

8. ACCRUED INCOME

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Accrued income from sales and services	34,606,718	26,684,237	20,148,837	14,231,925
Accrued subsidy income on goods purchases	106,820,080	89,222,728	106,820,080	89,222,728
Accrued promotion income	45,293,648	42,459,497	45,293,648	42,459,497
Others	42,219	722,147	41,755	715,178
Total	186,762,665	159,088,609	172,304,320	146,629,328

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Accrued subsidy income on goods purchases and accrued promotion income are recognized after agreement with suppliers. A portion of accrued income is for services provided to Government enterprise which collection period is longer because payment process takes some time for billing and delivery of documents. During the year, the Company has issued invoices for some part of services already.

9. ADVANCE PAYMENT FOR PURCHASING GOODS

Advance payment for purchasing goods represented cash paid to suppliers for 3 - 7 days in advance before receiving goods in order to get cash discount. Some advance payments are for manufacturers to produce house brand mobile phones for the Company.

10. OTHER CURRENT ASSETS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Other receivables	7,228,602	15,558,436	7,228,602	15,558,436
Prepaid expenses	6,133,311	2,903,753	5,147,759	2,343,713
Prepaid income tax and withholding tax receivable	5,905,545	5,569,645	-	-
Others	9,783,125	9,635,165	8,193,193	6,915,918
Total	29,050,583	33,666,999	20,569,554	24,818,067

11. INVESTMENTS IN ACCOUNTS RECEIVABLE

The investments in accounts receivable represent the subsidiary's investments from bidding of non-performing receivables of financial institution and credit service companies at discounted values for debts collection. Under the purchase contracts at the discounted values of receivables, the subsidiary company takes all the risks in the collection without recourse. The investments portfolio classified by group of debtors as at 31 December 2010 and 2009 are as follow :

	(Unit : Baht)			
	CONSOLIDATED F/S			
	2010		2009	
	No. of contracts	Amount	No. of contracts	Amount
Accounts receivable – Hire purchases	-	-	8,690	2,917,990
Accounts receivable – Personal loans	225,783	158,659,846	174,747	115,325,687
Cash paid for purchase investment in accounts receivable	-	76,203,259	-	-
Total	225,783	234,863,105	183,437	118,243,677
Less : Allowance for doubtful accounts	-	(3,016,959)	-	(4,960,311)
Net	225,783	231,846,146	183,437	113,283,366

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During the year, the Company has movement in investments in accounts receivable as follow:

	(Unit : Baht)
Balance as at 1 January 2010	118,243,677
Add : Purchase of accounts receivable	122,499,852
Add : Cash paid for purchase investment in accounts receivable	76,203,259
Less : Portion decreased from cash collection during the year	(82,083,683)
Balance as at 31 December 2010	<u>234,863,105</u>

The subsidiary company has assessed the period of collection of investments in accounts receivable to be within 3 - 4 years in accordance to the quality of debtors, and expects to collect cash from debtors from the investments of Baht 358.36 million within one year. The balance will be deducted with cash collections in subsequent years as computed by the effective interest rates.

12. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

As at 31 December 2010 and 2009 the Company's and its subsidiary's fixed deposits totalling Baht 18.07 million and Baht 103.18 million, respectively, (the Company's portions are Baht 17.06 million and Baht 95.64 million, respectively), have been placed with banks as collaterals for bank overdraft facilities and bank guarantees issued by banks on behalf of the Company and its subsidiary. These fixed deposits bear interest at rates of 0.50 - percent per annum and 0.50 - 1.00 percent per annum, respectively.

13. INVESTMENT IN SUBSIDIARY COMPANY

(Unit : Baht)							
	Nature of Business	SEPARATE F/S					
		Paid - up capital		Percentage of Shareholding		Cost	
		2010	2009	2010	2009	2010	2009
<u>Subsidiary company</u>							
JMT Network	Debt						
Services Co., Ltd.	Collection	80,000,000	40,000,000	99.99	99.99	79,999,800	39,999,300
Total						<u>79,999,800</u>	<u>39,999,300</u>

During the year, the Company increased investment in subsidiary company from Baht 40 million to Baht 80 million.

14. BUILDING AND EQUIPMENT

(Unit : Baht)

	CONSOLIDATED F/S			2010
	2009	Increase	Decrease	
Cost				
Building improvement	18,980,000	-	-	18,980,000
Office furniture	102,349,210	9,314,248	16,288,932	95,374,526
Office equipment	121,238,378	19,117,139	5,552,494	134,803,023
Tools and equipment	2,639,538	25,925	2,700	2,662,763
Vehicles	29,342,547	3,527,152	551,911	32,317,788
Assets under installation	55,750	118,300	55,750	118,300
Total	274,605,423	32,102,764	22,451,787	284,256,400
Less : accumulated depreciation				
Building improvement	12,817,998	1,898,000	-	14,715,998
Office furniture	80,502,876	8,375,231	15,236,614	73,641,492
Office equipment	98,858,742	12,500,207	5,221,124	106,137,825
Tools and equipment	2,633,882	7,939	2,699	2,639,122
Vehicles	21,481,426	2,995,714	551,908	23,925,232
Total	216,294,924	25,777,091	21,012,345	221,059,670
Building and equipment – net	58,310,499			63,196,730

(Unit : Baht)

	SEPARATE F/S			2010
	2009	Increase	Decrease	
Cost				
Building improvement	18,980,000	-	-	18,980,000
Office furniture	101,705,965	9,314,248	16,288,932	94,731,281
Office equipment	97,308,010	17,039,362	4,549,086	109,798,286
Tools and equipment	2,629,938	25,925	2,700	2,653,163
Vehicles	27,170,281	2,579,205	551,911	29,197,575
Assets under installation	55,750	118,300	55,750	118,300
Total	247,849,944	29,077,040	21,448,379	255,478,605
Less : accumulated depreciation				
Building improvement	12,817,998	1,898,000	-	14,715,998
Office furniture	79,948,786	8,338,659	15,236,614	73,050,831
Office equipment	78,509,891	10,256,333	4,219,367	84,546,857
Tools and equipment	2,627,209	6,020	2,699	2,630,530
Vehicles	19,496,169	2,838,417	551,908	21,782,678
Total	193,400,053	23,337,429	20,010,588	196,726,894
Building and equipment – net	54,449,891			58,751,711

Depreciation for the years ended 31 December 2010 and 2009 of the Company and its subsidiary amounted to Baht 25.8 million and Baht 31.1 million, respectively, (the Company's portions are Baht 23.3 million and Baht 27.4 million, respectively).

As at 31 December 2010 and 2009, a portion of the Company's and its subsidiary's equipment had been fully depreciated, but are remained in active use. The gross carrying amounts of such assets before accumulated depreciation are totalling Baht 160.2 million and Baht 142.2 million, respectively, (the Company's portions : Baht 140.9 million and Baht 127.6 million, respectively).

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15. COMPUTER SOFTWARES

(Unit : Baht)

	CONSOLIDATED F/S			
	2009	Increase	Decrease	2010
Costs	50,563,487	7,491,942	(5,669,720)	52,385,709
Less : Accumulated amortization	(42,786,033)	(4,757,851)	5,669,718	(41,874,166)
Computer softwares – net	7,777,454			10,511,543
Amortization	4,559,267			4,757,851

(Unit : Baht)

	SEPARATE F/S			
	2009	Increase	Decrease	2010
Costs	35,233,074	7,311,283	(5,171,825)	37,372,532
Less : Accumulated amortization	(32,009,984)	(1,688,391)	5,171,824	(28,526,551)
Computer softwares – net	3,223,090			8,845,981
Amortization	1,400,638			1,688,391

16. COSTS OF LEASEHOLD RIGHTS AND PREPAID RENT

(Unit : Baht)

	CONSOLIDATED AND SEPARATE F/S			
	2009	Increase	Decrease	2010
Costs of leasehold rights	74,351,452	-	-	74,351,452
Less : Accumulated amortization	(28,009,332)	(4,955,394)	-	(32,964,726)
Costs of leasehold rights – net	46,342,120	(4,955,394)	-	41,386,726

As at 31 December 2010 and 2009, the costs of leasehold rights and prepayment and the outstanding balances consisted of :

(Unit : Baht)				
Periods	Leasehold and Rental Amortisation per month	Costs of leasehold Rights and Prepaid Rent	Outstanding Costs of leasehold Right and Prepayments after amortisation	
			2010	2009
25 years	15,240	4,571,843	2,152,900	2,335,773
23 years	17,174	4,740,000	2,921,918	3,128,005
26 years	45,641	14,240,000	8,532,627	9,080,320
18 years	34,722	7,500,000	3,565,942	3,973,181
21 years	17,857	4,500,000	2,427,983	2,641,422
25 years	83,500	25,050,000	20,040,000	21,042,000
6 years	188,197	15,526,174	185,436	2,484,004
20 years	8,125	1,949,900	1,559,920	1,657,415
Total			41,386,726	46,342,120

Leasehold rights of a commercial building have been assigned to the bank as collaterals for long - term loans referred to in Note 19 to the financial statements.

17. BANK OVERDRAFT AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit : Baht)				
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Bank overdraft	5,584,099	4,198,082	5,584,099	4,198,082
Bill of exchange	335,000,000	185,000,000	235,000,000	185,000,000
Promissory notes from financial institutions	235,000,000	663,990,961	235,000,000	604,990,961
Total	575,584,099	853,189,043	475,584,099	794,189,043

As at 31 December 2010 and 2009, the Company and subsidiary promissory notes payable and bill of exchange bear interest at the rates of 3.10 – 4.00 percent and 4.00 – 4.50 percent per annum, respectively.

As at 31 December 2010 and 2009, the Company and subsidiary have credit facilities covering letters of credit, forward exchange contracts and other credits totalling Baht 1,971.9 million and Baht 1,615.5 million, respectively, with interest rates ranging from 3.10 – 4.00 percent and 4.00 – 4.50 percent per annum, respectively.

As at 31 December 2010 and 2009, the Company and subsidiary have bank overdraft credit lines totalling Baht 23.0 million and Baht 21.0 million (the Company's portion is Baht 21.0 million and Baht 19.0 million). Short - term loans from financial institutions are collateralized mostly by the pledges of fixed deposits of the Company and a subsidiary. During the years 2010 and 2009, the interest rates on bank overdraft are 3.00 – 6.40 percent per annum and 2.75 – 6.15 percent per annum, respectively.

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18. LIABILITIES UNDER FINANCIAL LEASE AND HIRE - PURCHASE AGREEMENTS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Liabilities under financial lease and hire – Purchase agreements				
Due within one year	640,591	3,081,156	513,526	3,081,156
Due over 1 year but not later than 5 years	328,250	513,526	-	513,526
Total	968,841	3,594,682	513,526	3,594,682
Less : Deferred interest	(3,813)	(131,404)	(3,813)	(131,404)
	965,028	3,463,278	509,713	3,463,278
Less : Current portion	(636,778)	(2,953,565)	(509,713)	(2,953,565)
Balance due after one year	328,250	509,713	-	509,713

The Company entered into financial lease and hire - purchase agreements for the leases of equipment for use in its operations, with repayment schedules of 36 months.

19. LONG - TERM LOAN

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE F/S	
	2010	2009
Loan carrying interest at fixed deposit rate + 2.50 per annum, with principal repayment of Baht 131,000 per month (exclusive of interest), from February 2006 to February 2018	9,806,000	11,378,000
Less : Current portion	(1,572,000)	(1,572,000)
Long - term loan - net	8,234,000	9,806,000

The long - term loan is collateralized by the mortgages of the leasehold rights on a commercial buildings. During the year, the Company paid interest on long - term loans at the interest rates of 4.00 - 4.75 percent per annum.

The movements in long - term loan are as follows :

	(Unit : Baht)
Balance as at 1 January 2010	11,378,000
Less : Repayment during the year	(1,572,000)
Balance as at 31 December 2010	9,806,000

20. ACCRUED EXPENSES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Accrued services expenses	5,756,150	4,401,660	1,680,882	1,371,861
Accrued rental and utilities expenses	3,605,845	3,048,520	3,605,845	3,048,520
Accrued property tax	2,650,195	4,264,502	2,650,195	4,264,502
Accrued sale promotion expenses	1,107,951	3,182,008	1,107,951	3,182,008
Payables for equipment and supplies	3,006,275	3,112,420	2,721,371	2,929,111
Accrued commission	10,598,515	6,109,463	7,051,453	3,000,000
Others	12,866,806	8,653,083	12,552,386	8,335,115
Total	39,591,737	32,771,656	31,370,083	26,131,117

21. OTHER NON - CURRENT LIABILITIES

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE F/S	
	2010	2009
Tenant rental deposits	48,460,542	40,881,147
Deposits from employees	200,200	82,200
Others	4,200	3,200
Total	48,664,942	40,966,547

Tenant deposits are deposits for possible damages. The Company will repay for those deposits upon the termination of the rent.

22. SHARE CAPITAL

In June 2009, the Company made a public offering of 75 million additional shares at a price of Baht 1.80 per share, or for a total of Baht 135 million. The Company received payment of this share capital increment on 19 June 2009. All expenses related to the share offering amounting to Baht 7.67 million are presented as a deduction from the premium on share capital. The Company registered the increased in its paid-up capital with the Department of Business Development on 22 June 2009.

23. PREMIUM ON SHARE CAPITAL

	(Unit : Baht)
Cash received from initial public offer	135,000,000
Less : Value of share capital on 75 million shares at Baht 1 per share	(75,000,000)
Less : Expenses for initial public offering	(7,670,000)
Premium on share capital – net	<u>52,330,000</u>

24. STATUTORY RESERVE

Under the Public Companies Act B.E. 1992, the Company is required to set aside as a statutory reserve at least 5 percent of its net income, after deduction of deficit (if any), until the reserve reaches 10 percent of the registered capital. The reserve is not distributable for dividends.

25. APPROPRIATION OF NET INCOME

Details of dividends declared and payments in the years 2010 and 2009 consist of the following :

	Approved by	Qualified ordinary share (shares)	Dividend per share (Baht)	Dividend paid (Million Baht)
a) Interim dividend	Board of Directors' meeting on 10 August 2010	300,000,000	0.06	18.00
b) Dividend	Annual General Meeting of the shareholders on 9 April 2010	300,000,000	0.15	45.00
c) Interim dividend	Board of Directors' meeting on 6 August 2009	300,000,000	0.08	24.00
d) Dividend	Annual General Meeting of the shareholders on 23 March 2009	225,000,000	0.17	38.25

26. INCOME TAX

	CONSOLIDATED F/S		(Unit : Million Baht) SEPARATE F/S	
	2010	2009	2010	2009
Net income	95.04	90.17	103.51	75.41
Income tax	20.56	32.36	16.84	28.54
Net income before tax	115.60	122.53	120.35	103.95
Add : Items not yet allowable as expenses under Revenue Code	4.96	10.08	5.83	4.65
Less : Tax exempted transactions	(40.79)	(24.74)	(58.82)	(13.48)
Net taxable income	<u>79.77</u>	<u>107.87</u>	<u>67.36</u>	<u>95.12</u>
Income tax for the year	<u>20.56</u>	<u>32.36</u>	<u>16.84</u>	<u>28.54</u>
Tax rate (%)	<u>25 - 30</u>	<u>30</u>	<u>25</u>	<u>30</u>

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27. PROVIDENT FUND

On 30 April 2002, the Company and subsidiary and their employees jointly established a provident fund plan as approved by the Ministry of Finance in accordance with the Provident Fund Act B.E. 2530. The fund is contributed to by employees and the Company and its subsidiaries at the rate of 3 percent of salaries. The provident fund will be paid to the employee upon termination of employment in accordance with the rules of the fund. The fund is managed by TISCO Asset Management Company Limited.

During the years ended 31 December 2010 and 2009, the Company and subsidiary contributed a total of Baht 1.8 million and Baht 1.7 million (the Company's portion : Baht 1.7 million and Baht 1.6 million), respectively, to the fund.

28. RELATED PARTY TRANSACTIONS

During the year, the Company had significant business transactions with its related persons and parties (related by way of common shareholding and/or management). Such transactions have been concluded on the terms and bases determined by the Company and related parties, the bases of which may be different from the bases used for transactions with unrelated parties. Significant transactions with related parties are summarised below :

Transaction with related parties	Pricing policy	(Unit : Million Baht)			
		CONSOLIDATED F/S		SEPARATE F/S	
		2010	2009	2010	2009
Sales of goods	Market price	-	-	0.3	0.1
Rental income	Market price	-	0.1	-	0.1
Debt collection and messenger services income	Market price	25.7	19.8	-	-
Sale promotion income	As agreed by suppliers	7.1	7.2	7.1	7.2
Management fee income	Baht 135,000 per month in year 2010 (Baht 240,000 in year 2009)	-	-	1.6	2.9
Dividend income - subsidiary	Based on net profit	-	-	49.8	5.2
Interest income - subsidiary	Interest rate 4.20% per annum	-	-	-	0.7
Office and land rental	Market price	0.8	0.8	0.8	0.8
Director remuneration	As approved at shareholders meeting	3.0	3.1	3.0	3.1

As at 31 December 2010 and 2009, the significant outstanding balances are separately presented in the balance sheet as follows :

		(Unit : Baht)	
		CONSOLIDATED F/S	SEPARATE F/S
		2010	2009
		2010	2009
<u>Trade account receivable – related company</u>			
AEON Thanasinsub PCL			
Past due less than 30 days		9,397,729	9,882,501
Total		9,397,729	9,882,501
<u>Loan to subsidiary company</u>			
JMT Network Services Company Limited		-	-
Total		-	-
<u>Other payable – subsidiary company</u>			
JMT Network Services Company Limited		-	-
Total		-	-
<u>Rental deposit from related company</u>			
AEON Thanasinsub PCL		804,528	804,528
Total		804,528	804,528

29. COMMITMENTS

As at 31 December 2010, the Company and its subsidiary had outstanding commitments as follows :

Commitments with related parties

29.1 The Company has agreements to provide management, accounting, tax filing and debt collection services for JMT Network Services Company Limited (subsidiary). The subsidiary can renew the agreement on an annual basis, with advance written notice at least 3 months before the expiration of the agreements. The contract period is for 1 year with service charge of Baht 135,000 per month.

29.2 The Company entered into a building space rental contract with a director for a godown rental with a monthly rental at market rate of Baht 70,000 for 3 years starting from 1 July 2010.

Commitments with third parties

29.3 The Company has outstanding commitments of approximately Baht 21.8 million (the Company own : Baht 21.1 million) arising from outstanding bank guarantees issued by banks on behalf of the Company in respect of certain performance bonds as required in the ordinary courses of businesses of the Company.

29.4 The Company has outstanding commitments in respect of service agreements which are payable in the future totaling approximately Baht 6.24 million.

- 29.5 The Company and its subsidiary have commitments under long - term lease and service agreements, mainly relating to the rental of space for retail shops, office buildings and warehouses, with minimum future rental and service fees payable under the agreements (not include the changes that may incur upon renewal) as follows :

Year	(Unit : Million Baht)	
	CONSOLIDATED F/S	SEPARATE F/S
Not over 1 year	232.1	223.4
Over 1 year but not over 5 years	118.4	114.0
Over 5 years	21.8	21.8
Total	372.3	359.2

- 29.6 The Company has commitments under computer software agreements with the programmer company, which depend on number of subscribers as specified in agreement. The agreements period is 3 years, and renewal one year.

30. FINANCIAL INSTRUMENTS

Credit risk

As the Company's customers are represented by individual persons and retailers from trading business, the Company provides credit terms for certain customers with stable financial status. Whereas most of customers of subsidiary company are represented by financial institutions and companies with stable financial status. The Company and subsidiary company, therefore do not expect the significant loss from collection from credit granting more than amounts provided in the accounts.

Interest rate risk

The interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's and its subsidiary's operations and their cash flows. The Company's and its subsidiary's exposure to interest rate risk relates primarily to their deposits with financial institutions, bank overdrafts and loans as follows :

	(Unit : Million Baht)			
	CONSOLIDATED F/S			
	As at 31 December 2010			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	-	-	30	30
Restricted deposits with financial institutions	-	18	-	18
Bank overdrafts and short - term loans from financial institutions	576	-	-	576

(Unit : Million Baht)

CONSOLIDATED F/S

	As at 31 December 2009			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	-	-	28	28
Restricted deposits with financial institutions	-	103	-	103
Bank overdrafts and short - term loans from financial institutions	853	-	-	853

(Unit : Million Baht)

SEPARATE F/S

	As at 31 December 2010			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	-	-	26	26
Restricted deposits with financial institutions	-	17	-	17
Bank overdrafts and short - term loans from financial institutions	476	-	-	476

(Unit : Million Baht)

SEPARATE F/S

	As at 31 December 2009			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	-	-	25	25
Restricted deposits with financial institutions	-	96	-	96
Bank overdrafts and short - term loans from financial institutions	794	-	-	794

Financial instruments as of 31 December 2010 and 2009 with fixed interest rates, and the period of time from the balance sheet date to their maturity dates are as follows :

(Unit : Million Baht)

	CONSOLIDATED F/S				
	As at 31 December 2010				
	1 - 6	6 - 12		Interest	
At call	months	months	Total	Rate	
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	18	-	18	0.50% - 1.20%
Bank overdrafts and short - term					
loans from financial institutions	6	570	-	576	3.00% - 6.40%

(Unit : Million Baht)

	CONSOLIDATED F/S				
	As at 31 December 2009				
	1 - 6	6 - 12			Interest
At call	months	months	Total		Rate
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	103	-	103	0.50% - 1.00%
Bank overdrafts and short - term					
loans from financial institutions	4	849	-	853	2.75% - 6.15%

(Unit : Million Baht)

SEPARATE F/S					
As at 31 December 2010					
	At call	1 - 6 months	6 - 12 months	Total	Interest Rate
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	17	-	17	0.50% - 1.20%
Bank overdrafts and short - term					
loans from financial institutions	6	470	-	476	3.00% - 6.40%

(Unit : Million Baht)

	SEPARATE F/S				
	As at 31 December 2009				
	1 - 6	6 - 12			Interest
At call	months	months	Total		Rate
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	96	-	96	0.50% - 1.00%
Bank overdrafts and short - term					
loans from financial institutions	4	790	-	794	2.75% - 6.15%

The Company and subsidiary do not use any derivative financial instruments to hedge risks.

The details of long - term loans are presented in Note 19 to the financial statements. Since such long - term loans are immaterial, the Company does not use any financial instrument to hedge interest rate risk.

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Fair values of financial instruments

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments :

Cash and cash equivalent - the carrying values approximate their fair values due to the relatively short - term maturity of these financial instruments.

Long - term loans - the carrying values are not materially different from the fair value since the loans carry interest at the rates close to market rates.

31. EXPENSES BY NATURE

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2010	2009	2010	2009
Salaries, wages and other employee compensation	208,864,933	200,490,769	156,590,278	153,577,767
Depreciation	25,777,091	31,129,387	23,337,429	27,416,955
Amortization	11,046,291	14,506,357	7,975,178	11,347,728
Loss on exchange rate	1,210,411	2,343,612	1,210,411	2,343,612
Allowance for decline value of inventories	3,590,676	2,221,895	3,590,676	2,221,895
Inventories written-off	4,800,832	-	4,800,832	-
Promotion expenses	52,367,743	54,961,265	52,367,743	54,961,265
Rental expenses	269,790,779	239,675,839	261,706,042	234,434,509
Advertising expenses	3,569,422	28,660,602	3,522,476	28,613,891
Change in finished goods	366,056,742	(351,656,868)	366,056,742	(351,656,868)
Purchase of finished goods	3,964,747,195	4,522,960,648	3,964,747,195	4,522,960,648
Other	280,271,220	264,710,524	193,470,442	194,995,045
Total	5,192,093,335	5,010,004,030	5,039,375,444	4,881,216,447

32. FINANCIAL INFORMATION BY SEGMENT

The Company's segmental financial information as presented in the consolidated financial statements for the years ended 31 December 2010 and 2009, are as follows :

(Unit : Million Baht)

	CONSOLIDATED F/S					
	For the years ended 31 December 2010					
	Debt					
	Trading business	collection business	Rental business	Other	Elimination	Total
Revenues	4,746	201	196	239	(52)	5,330
Cost of sales and services	(4,334)	(123)	(165)	-	-	(4,622)
Gross profit	412	78	31	239	(52)	708
Selling expenses						(380)
Administrative expenses						(158)
Executive remunerations						(32)
Financial costs						(22)
Income tax						(21)
Net income for the year						95
Trade accounts receivable - net	163	9	6	-	-	178
Buildings and equipment - net	55	4	4	-	-	63
Computer software - net	9	2	-	-	-	11
Leasehold rights - net	36	-	5	-	-	41
Other assets	777	267	52	130	(130)	1,096
Total assets	1,040	282	67	130	(130)	1,389

(Unit : Million Baht)

	CONSOLIDATED F/S					
	For the years ended 31 December 2009					
	Debt					
	Trading	collection	Rental			Total
	business	business	business	Other	Elimination	
Revenues	4,658	158	172	189	(9)	5,168
Cost of sales and services	(4,173)	(95)	(145)	-	-	(4,413)
Gross profit	485	63	27	189	(9)	755
Selling expenses						(397)
Administrative expenses						(168)
Executive remunerations						(31)
Financial costs						(36)
Income tax						(33)
Net income for the year						90
Trade accounts receivable - net	190	5	4	-	-	199
Buildings and equipment - net	51	4	3	-	-	58
Computer software - net	3	5	-	-	-	8
Leasehold rights - net	39	-	7	-	-	46
Other assets	1,270	149	44	40	(40)	1,463
Total assets	1,553	163	58	40	(40)	1,774

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33. EVENT AFTER THE REPORTING PERIOD

On 10 January 2011, the subsidiary entered into an agreement to purchase non performing receivables from a credit service company of Baht 301.60 million which partial payment of deposit in December 2010. There is a condition to change the purchase price within 30 September 2011 if the receivable accounts is not complied with the agreement.

At extraordinary shareholder meeting No. 1/2011, on 16 February 2011, the shareholders has resolution to approve the Company to purchase land from T.A.S. Asset Company Limited at Baht 80 million. This piece of land will be developed to office building and warehouse at approximate project cost Baht 220 million.

At the Board of Directors' meeting on 24 February 2011, there are the following significant resolutions:

1. Increase in the registered share capital from Baht 300 million (300,000,000 shares at par 1 Baht) to Baht 420 million (420,000,000 shares at par 1 Baht) for public offer for investor of 45,000,000 shares, the potential exercise warrant of 69,000,000 shares and the exercise ESOP warrant of 6,000,000 shares.
2. Issue the share capital warrant No 1 of 69,000,000 shares.
3. Issue the ESOP warrant of 6,000,000 shares.
4. Issue and offer the debenture at amount not exceed Baht 1,000 million.
5. Dividend payment from net income, after tax, for the year 2010 at Baht 0.24 per share. The Company has paid interim dividend at Baht 0.06. The remaining dividend is Baht 0.18 per share for 300,000,000 shares for a total amount of Baht 54 million.
6. Increase in the registered share capital of subsidiary company from Baht 80 million (800,000 shares at par 100 Baht) to Baht 100 million (1,000,000 shares at par 100 Baht) for its working capital and purchasing debts to manage.

34. RECLASSIFICATION

Certain accounts in the balance sheet as at 31 December 2009 and the statement of income for the year then ended have been reclassified to conform with interim financial statement for year ended 31 December 2010.

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 24 February 2011.

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