


Jaymart 

ANNUAL
REPORT
2013



VISION

QUALITY BEYOND INTELLIGENT WIRELESS TECHNOLOGY

MISSION

- Leader in wireless telecommunication retailing
- Provide the most satisfactory service to the customer
- Being good corporate governance with great responsibility towards our shareholders, business partners, employee and society

JAYMART

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Financial Highlights

Sources : The Company
Only

Unit : Million Baht

	2011	2012	2013
Financial Performance			
Total Revenues	5,779.7	7,593.5	9,370.4
Gross Profit	745.0	829.7	1,112.7
Net Profit	144.6	252.3	363.8
Total Assets	1,481.9	2,827.7	3,629.2
Total Liabilities	869.5	1,547.9	2,194.2
Shareholders' Equity	612.4	1,279.8	1,435.0
Key Financial Ratio			
Gross Profit Margin	2.50%	3.32%	3.88%
Return on Equity (ROE)	23.61%	19.71%	25.35%
Return on Assets (ROA)	9.76%	8.92%	10.02%
Earning per share (EPS)	0.48	0.69	0.87

Sources : Consolidated

F/S

Unit : Million

Baht

	2011	2012	2013
Financial Performance			
Total Revenues	6,055.6	8,116.30	9,995.2
Gross Profit	704.5	1,059.2	1,331.5
Net Profit	177.3	344.4	419.0
Total Assets	1,727.6	3,481.6	4,649.4
Total Liabilities	1,048.5	1,755.6	2,733.2
Shareholders' Equity	679.1	1,726.0	1,916.1
Key Financial Ratio			
Gross Profit Margin	2.93%	4.24%	4.19%
Return on Equity (ROE)	26.11%	19.95%	21.87%
Return on Assets (ROA)	10.26%	9.89%	9.01%
Earning per share (EPS)	0.59	0.93	0.96

Note : ROE: Return On Equity

ROA: Return On Assets

EPS: Earnings Per Share

Message from the Board of Directors

Dear Shareholders

The Year 2013 marked the Company's great leaping growth potential both in sales and net profit in keeping with the plan determined by the company. In the preceding year, the company net profits of 400 million baht increasing from 2012 for 35 percent and total company revenue of 9,995 million baht increasing from 2012 for 23.15 percent resulted from good domestic market situation. The approval of 3G license has been regarded as the vital change in communication device and cellular phone market, causing huge purchasing power and demand for use of new cellular phones, continual growing demand for use of accessories and good consumption climate. Then, our preparedness has been for handling an ongoing growth and development through branch expansions to cover all areas of Thailand, and our continuous availability and arrangement of marketing activities has accentuated in being the market leader of communication device and cellular phone distribution in Thailand.

In 2013, the Company has established daughter company, Jaymart Holding Co., Ltd., for investment in foreign countries and then Myanmar has been selected to be the first country for Jaymart Mobile's branch opening investment in order to distribute cellular phones and communication devices with Myanmar market leader target henceforth. According to the Company's opinion toward Myanmar cellular phone market, it has still been the emerging market consisting of few number of users for just 5% of national populations.

Our strong determination has included the move into business structure reform to be capable for completely handling with all aspects of opportunities and preparedness for business growth in all business groups including communication device and cellular phone distribution business group, rental area management business (JAS Asset), non-performing debt collection and management business (JMT).

Due to our business operation competence in constant target achievement and customer reliance and trust acquisitions, this has marked the proof exhibiting precise business conduct policy and guideline. We shall also aim at quality services of all staffs and hand on good experiences to customers through every piece of products offered by us. In addition, we has supported and encouraged all staffs to have opinion opportunities and has built teamwork atmosphere.

In this occasion, with our grateful thanks to all shareholders, customers, business alliances, executives and staffs who have taken part in supports offered to Jaymart for continuous business growth, we assure to all of you that we shall professionally run the business, continually develop organizational potentiality, and concurrently proceed social responsibility policy and self-upholding to be a good ideal of the society for better quality of life of people in society on and on.



(Mr. Pisnu Pong-acha)

Chairman of the Board



(Mr. Adisak Sukumvitaya)

Chairman of the Executive Committee

Directors and Management Biography



Directors and Management Biography

Mr. Pisnu Pong-acha

- Chairman of the Board

Mr. Adisak Sukumvitaya

- Director
- Chief Executive Officer
- Chairman of the Board
JMT Network Services PCL.

Miss Yuvadee Pong-acha

- Director
- Deputy Chief Executive Officer
- Operations
- Selection and Remuneration
Committee
- Executive Committee
- Managing Director JMT
Network Services PCL.
- Chairman of the Board
JMT Plus Co., Ltd.
- Director JAS Asset Co.,Ltd.

Mrs. Daj Bulsuk

- Deputy Chairman of
The Board
- Director (Independent Director)
- Audit Committee

Mr. Phisit Dachanabhirom

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

Mr. Suwit Kingkaew

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

Mr. Pracha Tansaenee

- Director
(Independent Director)
- Audit Committee

Mrs. Manee Soonthornvatin

- Director
- Executive Committee Officer
- Chief Information Officer
- Director JAS Co., Ltd.

Miss Ladda Waruntarakul

- Executive Committee
- Chief Finance and Accounting
Officer

Directors and Management Biography

Mr. Pisnu Pong-acha

Age 60

Position in the Company Chairman of the Board

Education

1994 MBA, Rangsit University

Previous Experience

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

Mr. Adisak Sukumvitaya

Age 57

Position in the Company Director / Chief Executive Officer ,
Chairman of the Board JMT Network Services PCL.
Chairman of the Board J Asset Management Company Limited
Chairman of the Board JMT Insurance Broker Company Limited

Education

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

Seminar

2008	Director Accreditation Program (69/2008)	Thai Institute of Directors Association
2013	Management Program (CMA. 15)	Capital Market Academy

Previous Experience

1981-1984	Research officer	TISCO Securities PCL.
1985-1989	Product Manager	Philips Electronics (Thailand) Ltd.
2002 – 2005	Director	JAS Asset Co.,Ltd.
1994 – 2012	Director	JMT Network Services PCL.
1995– Present	Director	Singh buri Cable T.V Co.,Ltd.
1995 –Present	Director	JMART TAKSIN Co.,Ltd.

Miss Yuvadee Pong-acha

Age 57

Position in the Company Director / Deputy Chief Executive Officer - Operations / Selection and Remuneration Committee / Executive Committee,
Chairman of the Executive Committee JMT Network Services PCL.,
Chairman of the Board JMT Plus Co., Ltd.,
Director JAS Asset CO., Ltd.
Director J Asset Management Co., Ltd.
Director JMT Insurance Broker Co., Ltd.

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.
2002 – present	Director	JAS Asset Co.,Ltd.
2007 – 2011	Managing director	JMT Network Services PCL.

Mr. Dej Bulsuk

Age 63

Position in the Company Deputy Chairman / Director (Independent Director) / Audit Committee**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	Mcthai Co.,Ltd. (McDonald' s Thailand)
2004-2006	Honorary Chairman	Mcthai Co., Ltd. (McDonald' s Thailand)
2001-2006	Chariman	McDonald House Charities Foundation
Since 2004	Chief Executive Officer	CCC Business Development Co., Ltd.

Mr. Phisit Dachanabhirom

Age 73

Position in the Company Director (Independent Director) / Chairman of Auditor Committee / Selection and Remuneration Committee**Education**

1964	B.E. (Accounting) (13/2004)	Thammasat University
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Seminar

2004	Director Accreditation Program	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	Berli Jucker PCL.
	Deputy Managing Director	
	Director, Chairman of Audit Committee	
2001-Present	Chairman of Executive Committee	Professional Alliance Group Limited.
2007-Present	Independent Director	RS. PCL.
	Chairman of Auditor Committee	
2013 – Present	Director	Donmuang Tollway PCL.

Mr. Suwit Kingkaew

Age 63

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

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.

Mr. Pracha Tansaene

Age 52

Position in the Company Director

Education

1984	BBA. (Accounting)	Ramkhamhaeng University
2004	MBA. (Management)	Ramkhamhaeng University
2007	Ph.D. (HR. Development) (66/2007)	Ramkhamhaeng University

Seminar

2007	Director Accreditation Program	Thai Institute of Directors Association
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Previous Experience

1999-2002	Technical Advisor (Financial Planing)	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 PLC.
2009- 2013	Associate Dean for Administration King	Mongkut's University of Technology & Planning North Bangkok
2013 – Present	Lecturer	Ramkhamhaeng University

Mrs. Manee Soonthornvatin

Age 58

Position in the Company Director / Executive Committee / Chief Information Officer,
 Director JAS Asset Co., Ltd.
 Director J Asset Management Co., Ltd.
 Director JMT Insurance Broker Co., Ltd.

Education

1977 B.E. (Science) Ramkhamhaeng University

Seminar

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

Previous Experience

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

History Executive Committee

Mr. Adisak Sukumvitaya (As described above)

Miss Yuvadee Pong-acha (As described above)

Mrs. Manee Soonthornvatin (As described above)

Miss Ladda Waruntarakul

Age 50 Years

Position in the Company Director of Finance and Accounting
 Executive Committee
 Director Asset Management Company Limited.

Education

1985 Master of Business Administration Ramkhamhaeng University
 in Accounting

2009 Bachelor of Business Administration Ramkhamhaeng University
 in Accounting

Director Role and duty training

2012 Director Accreditation Program (DAP 97/2012) Thai Institute of Directors

Experience

2012–Present Director and Executive Director JMT Network services PCL.
 2011–Present Director JMT Plus Co.,Ltd.
 2012–Present Director JAS Asset Co.,Ltd.

Prohibited Qualification

- 1 No criminal record offenses in crimes against property, which was done in bad faith
2. Never enter into any transaction that may be controversial with the interest of the company in the past

General Information

JAY MART Public Company Limited

Stock code :	JMART
Head office :	325/7-8 Jaymart Bldg., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240
Telephone :	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 :	420,000,000 Baht
Paid-up Capital :	419,573,608 Baht
	Comprise of 419,573,608 common shares
	Par value 1 Baht per share

The Subsidiary Company

Jaymart Holding Company Limited

Head office :	325/7 Fl. 4 Jaymart Bldg., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240
Telephone:	0-2308-9000
Fax:	0-2308-8162
Registration No:	0105556069297
Website:	-
Type of business:	Holding Company
Registered Capital:	23,000,000 บาท
Paid-up Capital:	23,000,000 บาท
	Comprise of 2,300,000 Common shares
	Par value 10 Baht per share
Share Holdings Percentage of JMART:	99.99%

JMT Network Services Public Company Limited

Head Office :	325/7 Fl. 4-6 Jaymart Bldg., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240
Tel :	0-2308-9999
Fax :	0-2308-9900
Registration No :	00107555000074
Website :	www.jmntnetwork.co.th
Type of business :	Debt Collection Business and Non Performing Loan Management
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

Share Holdings Percentage of JMART : 75%

JAS Asset Company Limited

Head Office : 325/7 Fl. 7 Jaymart Bldg., Ramkhamhaeng Rd., Sapansoong, Bangkok **10240**

Tel : 0-2308-9000

Fax : 0-2308-8088

Registration No : 0105555000676

Website : www.jasasset.co.th

Type of business : Retail Space Rental Business

Registered Capital : 50,000,000 Baht

Paid- up Capital : 50,000,000 Baht

Comprise of 5,000,000 common shares

Par value 10 Baht per share

Share Holdings Percentage of JMART : 99.99%

JMT PLUS Company Limited

Head Office : 325/7 Fl. 4 Jaymart Bldg., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240

Tel : 0-2308-9999

Fax : 0-2308-9928

Registration No : 0105554042308

Website : -

Type of business : Debt Business and Auto Loan Services

Registered Capital : 50,000,000 Baht

Paid- up Capital : 50,000,000 Baht

Comprise of 5,000,000 common shares

Par value 10 Baht per share

Share Holdings Percentage of JMT : 99.99%

J Asset Management Company Limited

Head Office : 325/7 Jaymart Bldg., 4th Fl., Ramkhamhaeng Rd. Sapansoong, Bangkok 10240

Telephone : 0-2308-9999

Fax : 0-2308-9840

Company Registered Number: 0105556069459

Website : -

Type of Business : Debt collecting business

Registered Capital: 25,000,000 Baht

Paid-up Capital: 25,000,000 Baht

Comprise of 2,500,000 common shares

Par value 10 Baht per share

Share Holdings Percentage of JMT : 99.99%

JMT Insurance Broker Company Limited

Head Office : 325/7 Jaymart Bldg., 5th Fl., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240
 Telephone : 0-2308-9999
 Fax : 0-2308-9840
 Company Registered Number: 0105556022886
 Website : www.jmtinsurancebroker.co.th
 Type of Business : Debt collecting business
 Registered Capital: 2,000,000 Baht
 Paid-up Capital: 2,000,000 Baht
 Comprise of 200,000 common shares
 Par value 10 Baht per share

Share Holdings Percentage of JMT : 99.99%

Associated Company**J & P (Thailand) Company Limited**

Head Office: 325/7 Jaymart Bldg., 7th Fl., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240
 Telephone: 0-2308-9000
 Fax: 0-2308-8162
 Company Registered Number: 0105556085799
 Website: -
 Type of Business: Buying and selling products and devices, mobile phones and appliances.
 Registered Capital: 51,700,000 Baht
 Paid-up Capital: 51,700,000 Baht
 Comprise of 5,170,000 common shares
 Par value 10 Baht per share

Share Holdings Percentage of JMART HOLDING: 40.00%

Auditor

Mrs. Sumalee	chokdeeanan	Certified Public Accountant (Thailand)	No. 3322 or
Mr. Somckid	Tiatragul	Certified Public Accountant (Thailand)	No. 2785 or
Mr. Teerasak	Chuasrisakul	Certified Public Accountant (Thailand)	No. 6624 or

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. Business Operations

1.1 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.

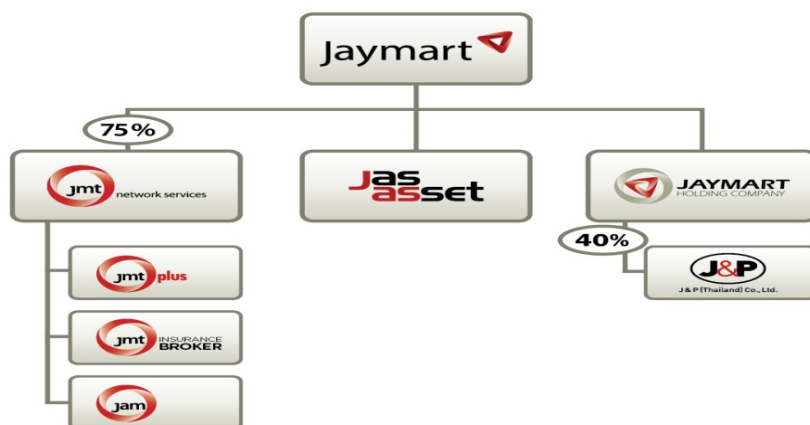
As for the current corporate structure, the Company holds 99.99% in its subsidiary, JMT Network Services Public Company Limited (“JMT”), which operates debt collection, provides legal services and auctions bad debt from financial institutions to manage and make collection and, in turn, pursuing new profit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

In 2009, the company was listed on the Stock Exchange of Thailand (SET), and offering of increased its share capital amount of 75 million shares to the general investors. As a result, the Company now has the registered capital of Baht 300 million fully paid-up. A group of major shareholders which were also main board directors, namely a group of Mr. Adisak Sukumvitaya and Miss Yuvadee Pong-acha, holds approximately 67.6% of the total shares.

In 2012, the company has increased its capital by offering shares to the shareholders and the general public 120 million shares and the share capital increase of 420 million shares and paid-up capital Baht 419,573,608

1.2 Business Operations of the Company and its subsidiary

Group Organization Structure



Today's three subsidiary companies that are under business operations have included the following.

1. JMT Network Services Co., Ltd. ("JMT") which has been held at the rate of 75 percent of shares by the Company has had paid-up registered capital for 300 million baht.
2. JAS Asset Co., Ltd. which has been held at the rate of 99.99 percent of shares by the Company has had paid-up registered capital for 50 million baht.
3. Jaymart Holding Co., Ltd. which has been held at the rate of 99.99 percent of shares has had paid-up registered capital for 15 million baht, and was established on April 26, 2013 with its objective for mainly support on foreign business investment.

On February 5, 2013, JMT (the Subsidiary Company) established JMT Insurance Broker Co., Ltd. with registered capital for 2 million baht and business operation for insurance broker of insurance companies.

On April 26, 2013, JMT (the Subsidiary Company) established J Asset Management Co., Ltd. with registered capital for 25 million baht and business operation for purchase of legal encumbered non-performing debts.

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 Samsung, iPhone, Nokia, LG, OPPO, SONY, HUAWEI, HTC, Lenovo, BlackBerry, Acer, Sharp, the company initiated its own brand “J-Fone” 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.

As of 31 December 2013 Presently, the Company sells its product in 220 outlets covering Bangkok and its vicinities, as well as major cities in the country such as Chiang Mai Nakhon, Sawan, Phitsanulok, Khonkaen, Udon, Nakorn, Ratchasima, Songkhla and Phuket, etc.

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

2. Wholesales Business (Wholesaler)

The Company is wholesaler of mobile phones to retail stores both in organized shop and non-organized shop. The Company has focused on sales through Jay Mart in IT Junction which is the retail stores center. The shops in IT junction can buy wholesale price with Jay Mart. In addition, the Company is a major wholesaler of Samsung LG, HUAWEI, NOKIA, Lenovo, jFone

Moreover, the Company may have the right to be sold distributor of some product model as agreed between the Company and mobile phone manufacturer.

3. Retail Business (Retailers)

The Company orders mobile phones from distributor & dealer of various brands to sell in Company’s retail shop or if there is no distributor & dealer in some brands, the Company will buy direct from manufacturers. The Company is top five major retailers of mobile phones, namely Samsung, Blackberry, iPhone, Nokia and LG.

In addition to be a retailer of new mobile phones, the Company also sells the phone accessories, phone refill cards along with selling the mobile phones.

Apart from a revenue from sales of mobile phones, mobile accessories and technology products as mentioned above, the Company also had revenue from using retailing network, composed of revenue from bill payments or other services through shop or Company’s network (Pay Point) by making agreement with business partner to pay this channel such as financial customers business, utilities and credit cards group. The revenue from brokerage receipt in seeking for cellular phone credit clients to Aeon and First Choice and the revenue from selling of Mobile Plus Guarantee Certificate.

JMT Services Public Company Limited (Subsidiary)

1. 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. As at 31 December 2013, the Company had the assigned debts of the employer to follow-up at amount of Baht 13,905 million, the major employer's creditors are banks and financial institutions and leasing companies.

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 17 years. As at 31 December 2013, JMT had net book value of investment in non-performed debt at amount of Baht 733 million.

Apart from the debt collection and non-performed loan management, JMT also had a legal advisor services.

2. Car Loan Service Business

The company provides auto leasing service by focusing loans for used cars and second hand cars for individual customers with good payment history and outstanding debt. As foreseeing the business opportunities which gives a high rate of return, even if there is a risk of default by the debtor but there is collateral to cover the risk at an acceptable level. Including that the company has experiences in the business of tracking and collection of debt service, which must investigate, monitor and track and negotiate with the distressed debt client throughout. Therefore we have procedures and expertise in the investigation, analysis and evaluation of an individual debtor prior to granting the loan to each client. As at December 31, 2013, the company and its subsidiary have the amount of debtor from the leases - net equals to 73.11 million baht

3. Insurance Broker Business.

The company provides different types of life insurance broker The revenue will come from the return of the commission from the premium customers. Which is the business with no risk of impairment of the goods. Because the business is not required to have insurance policies with the company or stock company. Act as brokers who engage in insurance between clients and insurance companies.

JAS Asset Company Limited (Subsidiary)

1. 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 42 branches with 13,000 sqm. rental area, and 1,400 stores for vending machines both in Bangkok and up-countries. In addition, in 2013, the six close to home community malls, "The Jass", on Ladprao-Wanghin have been under area development and selling phase with expectation for service opening ability in the 3rd quarter of 2014.

1.3 Revenue Structure of the Company and Subsidiary

Revenue Structure of the Company and its subsidiary for the Year 2011 – 2013

Unit: Million Baht

Revenue Structure Categorized by Nature of Business	2011		2012		2013	
	Value	%	Value	%	Value	%
Company						
1. Mobile Phones Business						
- Sales of Mobile Devices	5,363	88.57%	7,297	89.42%	8,966	89.70%
- Other Sales Promotions	124	2.05%	142	1.7%	276	2.76%
Total Sales Revenue	5,501	90.84%	7,439	91.10%	9,242	92.46%
2. Retail Space Rental						
- IT Junctions	221	3.65%	253	3.13%	337	3.37%
Total Revenue from Retail Space Management	221	3.65%	253	3.23%	337	3.37%
Subsidiary						
3. Debt collection and Non-performing Loans Management						
- Debt-tracking Service	89	1.46%	106	1.29%	255	2.56%
- Debt acquisition and management	215	3.55%	280	3.43%	97	0.97%
- Other related business ²	20	0.33%	8	0.09%	9	0.10%
Total revenue from debt collection and NPL management Business	324	5.34%	394	4.82%	362	3.63%
Other sources of Revenue						
- Other revenues	24	0.39%	75	0.91%	54	0.54%
Total Revenues from other Sources	24	0.39%	75	0.91%	54	0.54%
Total Revenue	6,056	100%	8,160	100%	9,995	100%

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

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

1.4 Business Objectives

Mobile phones, Mobile accessories and Technology products business

The Company has a policy to expand market segmentation in retail market in order to be the business leader in selling mobile phones, mobile accessories and technology products business by targeting to expand market segmentation, redecorate shops to be innovative and meet the high customers' needs with focusing on organizing "Life Demo".

- To increase efficiency and number of distribution channels to reach more customers, there is the main target to expand more branches in Modern Trade and IT Junction.
- To train and develop human resource to continue increase knowledge in products, quality and service standards by having the employees seminar every week.
- To select products with quality and featured-rich to meet the needs of different customers throughout by adding products to meet the changing technology, especially 3G technology and expanding product line of accessories and technology IT.

Retail Space Rental Business

The company aims to operate in space management business in “IT Junction” by increasing its branches with will consider the return on investment and marketing plans in line with current economic conditions. It focuses on department stores, discount store and community mall which have areas for sales, marketing plan and the location for mobile phones and technology customer group.

Furthermore, JAS expanded the business to other area management services such as community mall, small shopping complex and fresh market if those stated businesses can provide returns justification for investment.

Debt Collection and Non-Performing Loans Management business

The Company aims to maintain its leader of debt collecting business. It plans to maintain the debt outstanding at the track by main focusing on Bank group by expanding to existing and new customer group. This is because the most of employers has a policy to write off non-performed debts or non-performed debt follow-up by their own.

The Company plans to achieve the goal as follows;

- Focusing on service standards and efficient in debts collection to provide a high customers’ satisfaction and no complain with the customers’ quality services.
- Developing of information systems and data collection to be up to date every year

Car Leasing Business

The Company and its subsidiaries have the aim in expanding the car loan for used car of type personal car and pick-up truck, by focusing and managing as follows

- Expand the service area in Bangkok Metropolitan Region to cover more areas.
- Increase the number of marketing officers and Checker to cover the service area and develop the personnel to be able to service the customer faster and more efficiently.
- Increased marketing officer of the company stationed at the car distribution location which is the target group of the company and establishing of good relationship with the automobile tent operator.
- Evaluation and analysis of quality of customers with care in order to have the minimal bad debt and set a fair credit limit to customers.
- Develop customer database to be up to date and effective and track the customers closely In the bidding auction to buy distressed debt to manage and the expanding of car loans, the company is expecting to have a fund partially from cash flow from the operations, proceeds from this capital increase and existing support credit limit from Banks currently available.

Insurance Broker Business

The company and subsidiaries aim at expanding into the insurance broker services by focusing on providing the disaster insurance services and will perform accordingly;

- Expanding the marketing channel in order to giving the feedback both to internal and external customers.
- Enlarging the market via an online channel, website channel, by beginning to providing services via the website channel since 2014.
- Expanding the channel via the J-Mart mobile phone stores in every branch.
- Expanding the channel via business partners.
- Enlarging the channel via telesales.

For entering into the insurance broker business, the company views this kind of business as the interesting one, and no risk in depreciation of the products and services.

Risk Factors

1. 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.

1.1 Risk from mobile phone distribution business

1.1.1 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 2013 inventories accounted for 29.39% 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 40-50 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. It is evident from the time of inventory of the company in 2013, the Company has effectively managed inventories, therefore, the inventory turnover day was 49 days less than target (45 days) and 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 As at 31 December 2013, the Company has provided allowance for only Baht 6.13 million (0.07%) Due to the Company has adopted the effective management policies, the average selling time decreased, affected the allowance for obsolete stock also decreased

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.

1.1.2 Risk from reliance on major suppliers

The company mainly buys most mobile phones from the phone manufacturers or dealers of the 5 major brands, Samsung, iPhone, Nokia, Oppo and LG. The company must rely on these phone manufacturers. During 2013, Samsung, iPhone, Nokia, Oppo and LG. accounted for 61%, 8%, 7%, 6% and 4%, 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.

1.1.3 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.

1.2 Risk from retail space rental business

1.2.1 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.

1.3 Risk from Debt collection and bad debt management business

1.3.1 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.

1.3.2 Risk from operations that lead to bad images in publics

As Company operates the debt collection therefore there is the negotiation with dispute and make the dissatisfaction with the debtors.

As well as there is some accelerated debts in business uses use un-appropriate way such as impolite words, creates a nuisance or harassment and step up to threat, as a result, the Company might be accused.

The Company has a strictly policy to follow debt in polite and give honor to debtor. From 8.00 am to 20.00 pm, Monday to Friday is the debt collection calling time and there is other polite measures in comply with the guidelines issued from Bank of Thailand in order not to interfere debtors. As well as there is the strictly polite debt collection process, so far, the Company has gained trust in service quality from employer group in high level. From past, the Company does not get any complain in term of un-appropriated accelerated debts.

1.4 Risk from bad debt management business

The Company operates in buying non-performed loans from leasing companies, finance companies and banks to collect and track debts by our own. The Company considers the quality of debt, outstanding periods and debtors. Now the Company has purchased debts from leasing company and financial institutions totaling 38 contracts with total investments amounting to Baht 1,083 million. The Company may have risk that the Company cannot collect the debts as plan and have loss in operations.

However, the Company is planning to carefully manage the non-performed loans each time by checking the debts information in detail both information from financial institutions and the existing Company's database including the external information in order to assess the possible collectible amount. As the Company has the long experience in collection debts and having a large number of debtor information available in Company's databases as well as the Company will buy debts that Company has the collection experiences once or being engaged to follow-up this debt before together with having the regular monitor leading the Company has a confident in following up debt as planned effectively and will get the revenue covered risk which the risk level can be managed.

1.5 Insurance Broker Business

Potential risks from the competition within the industry

Insurance broker business is the business which contains several of both small and big broker companies. In 2013, there are about 397 corporations who exactly provide the disaster insurance and it is a real competitive in customer services providing. The main factors in the competition are based on the price of insurance premium and the insurance institutes. They are the factors which customers use in determining in taking the insurance broker services from any company. Car insurance department has the highest value of the insurance premium than any other type of the insurance that any insurance broker corporations possess.

Risks from the service complaints

According to the fact that the insurance broker business is under the govern of Office of Insurance Commission (OIC) which is the organization that governs and investigates services providing of every insurance and insurance broker companies. If there is any complaint from the consumer toward the insurance and insurance broker companies, the insurance or insurance broker company has to explain and control his or her business to fall within the predetermined standard. And if the company still does not perform according to the required regulation and be guilty under the severe imperative, the company might be considered in revocation of license in running the business.

Shareholders Structure

1. Shareholders

As at 31 December 2013 list of shareholders and shares of registered capital and paid by the shareholders of record as follows.

Shareholders	No. of shares	Percent of Total shares
1. Mr. Adisak Sukumvitaya	79,045,545	19.04
2. Miss Yuvadee Pong-acha	74,946,484	18.06
3. Miss Juthamas Sukumvitaya	32,775,758	7.90
4. Mr. Ekachai Sukumvitaya	31,560,000	7.60
5. STATE STREET BANK EUROPE LIMITED	19,547,500	4.68
6. Miss Waranee Sereviwattana	16,600,400	3.98
7. Mr. Piranart Chokwatana	7,289,055	1.75
8. Thai NVDR	6,145,500	1.47
9. Mr. Bumroog Srihan	4,869,000	1.17
10. Mr. Naphat Panchakunathorn	4,365,000	1.05
11. Mr. Sukhon Kanchanahatthakit	2,800,000	0.67
12. Miss Aumphon Rueangprasertkul	2,750,000	0.66
13. Miss Panurat Jaturanon	2,469,360	0.59
14. Mr. Adisak Naknaowatim	2,380,300	0.57
15. Mr. Noppachit Sinthuchat	2,359,280	0.56
16. Mr. Aroon Chaisirinon	2,190,000	0.52
17. MR. Somsak Kupnirattisaikul	2,148,820	0.51
18. Mr. Somsak Tirakanun	2,021,860	0.48
19. Mr. Santi Kovitjindachai	1,882,000	0.45
20. Mr. Somchay Kupnirattisaikul	1,736,400	0.42
Total Paid –up Capital	299,994,792	71.84

Remarks : The information from Jay mart Public Company Limited as of the book closing date on December 31, 2013

Organizational Structure

As of 31 December 2013, 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

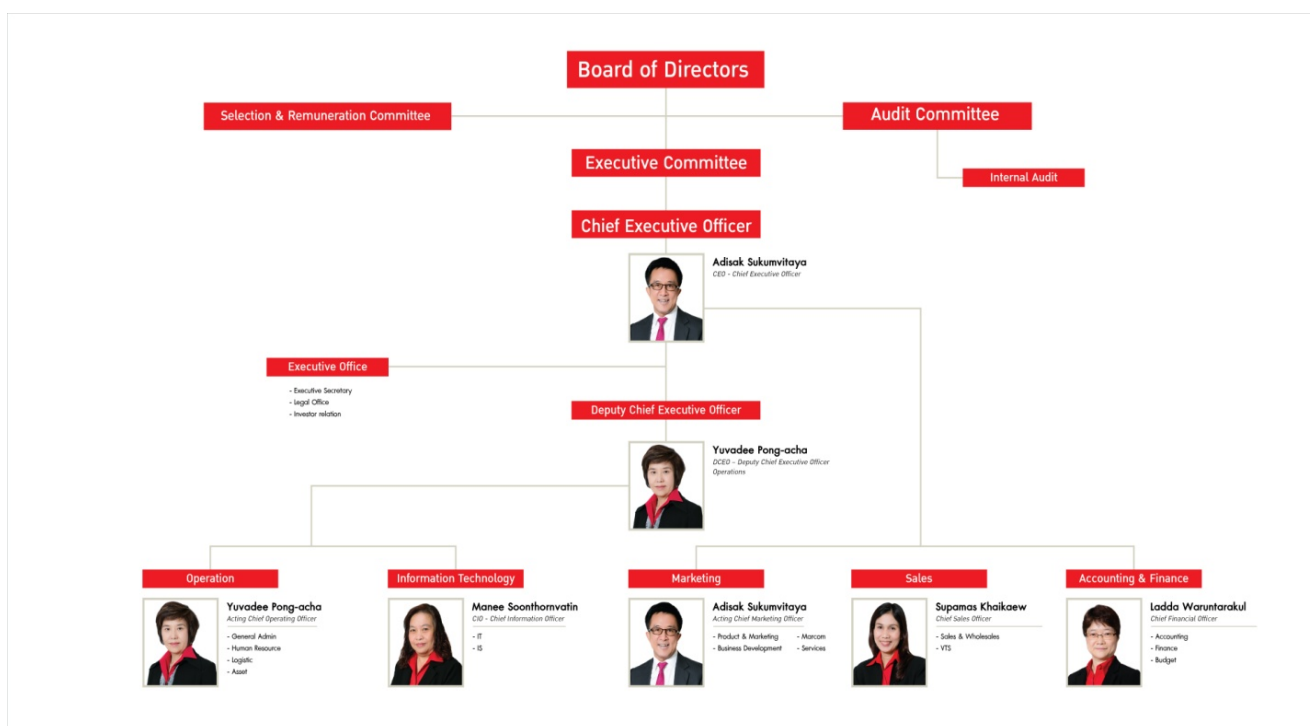


Figure 1's management structure is Jay Mart Public company limited.

Board of Directors

As of 31 December 2013, 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 ²	Tansaenee	<i>Audit Committee/Independent Director</i>
6. Mr. Phisit	Dachanabhirom	<i>Chairman of Audit Committee/Independent Director</i>
7. Mr. Dej ¹	Bulsuk	<i>Audit Committee/Independent Director</i>
8. Mr. Suwit	Kingkaew	<i>Audit Committee/Independent Director</i>
Miss ladda	Waruntarakul	is the <i>secretary of the Board of Directors</i>

¹ Mr. Dej Bulsuk *Audit Committee/Independent Director* has resigned which will be effective on August 13, 2013

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.

Audit Committee

As of 31 December 2013, the Company's Audit Committee comprised of 3 members, which are;

1. Mr. Phisit	Dachanabhirom	<i>Chairman of Audit Committee</i>
2. Mr. Dej ¹	Bulsuk	<i>Audit Committee</i>
3. Mr. Suwit	Kingkaew	<i>Audit Committee</i>
4. Mr. Pracha ²	Tansaene	<i>Audit Committee</i>

Miss Kanlayakorn Pitiworawong is the *secretary of the Audit Committee*

¹ Mr. Dej Bulsuk *Audit Committee* has resigned which will be effective on August 13, 2013

² Mr. Pracha Tansaene had been appointed from *Audit Committee* effective on August 13, 2013

Scope of responsibilities of the Audit Committee

1. To ensure that the Company has accurately and adequately disclosed its financial statements.
2. To set out guidance and to ensure that there are suitable and effective internal control and internal audit in the Company.
3. To ensure that the Company is operated in accordance with the laws concerning securities and stock exchange, stipulations of the Stock Exchange and other laws involving Company business.
4. To select and make suggestions of independent persons to be appointed as the Company's auditor together with the audition fee by taking into consideration the credibility, personnel sufficiency, work volume of auditing firm and experience of the personnel to be appointed as Company's auditor, as well as to attend a non-management meeting with an auditor at least once a year;
5. To consider and approve the Connected Transactions and/or Acquisition or Disposition of Assets of the Company or its subsidiaries, and to accurately and completely disclose the Company's information in case of related transactions or the transactions that may lead to conflicts of interests, as well as to approve such transactions to be proposed to the Board of Directors' meeting and/or the shareholders' meeting to be in compliance with the related laws;
6. To conduct other tasks as instructed by the Board of Directors and/or approved by the Audit Committee,
7. To prepare the audit committee activity reports by disclosing on Company's annual report.
8. To comply with the duties and responsibilities as assigned by the Board of Directors and as stipulated in the laws concerning securities and stock exchange, including other related rules and regulations;
9. To have a power to seek independent opinions from external advisors, at the expense of the Company, when necessary;
10. To have a power to request information from any divisions in the Company for supporting their consideration on any matters;
11. To undertake other matters as assigned by the Board of Directors, with the approval of the audit committee.

Selection and remuneration committee

As of 31 December 2013, the Company's selection and remuneration committee comprised of 4 members, which are;

- | | | |
|-----------------|---------------|---|
| 1. Mr. Suwit | Kingkaew | <i>Chairman of the selection and remuneration committee</i> |
| 2. Mr. Phisit | Dachanabhirom | <i>selection and remuneration committee</i> |
| 3. Miss Yuvadee | Pong-acha | <i>selection and remuneration committee</i> |
| Miss ladda | Waruntarakul | is the <i>secretary of the selection and remuneration committee</i> |

* Mr. Adisak Sukumvitaya, selection and remuneration committee has resigned which will be effective on August 10, 2012.

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.

Executive Committee

As of 31 December 2013, the Company's executive committee comprised of 4 members, which are;

- | | | |
|-----------------|----------------|--|
| 1. Mr. Adisak | Sukumvitaya | <i>Chairman of the Executive Committee</i> |
| 2. Miss Yuvadee | Pong-acha | <i>Executive Committee</i> |
| 3. Mrs. Manee | Soonthornvatin | <i>Executive Committee</i> |
| 4. Miss ladda | Waruntarakul | <i>Executive Committee</i> |
| Miss ladda | Waruntarakul | is the <i>secretary of the Executive Committee</i> |

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 1/2013 Shareholders' Meeting, dated 10 April 2013. The 2/2013 Board meeting, dated 21 February 2013 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 2013, the company pays for the Directors' remuneration in fixed payment and Bonus

Name	Position	2013 ^{***}	2012
1. Mr. Pisnu Pong-acha	Chairman of the Board	585,000	540,000
2. Mr. Adisak Sukumvitaya	Director	300,000	300,000
3. Miss Yuvadee Pong-acha	Director	300,000	300,000
4. Mrs. Manee Soonthornvatin	Director	300,000	300,000
5. Mr. Pracha Tansaenee	Director	325,000	300,000
6. Mr. Phisit Dachanabhirom	Chairman of Audit Committee/Independent Director	585,000	540,000
7. Mr. Suwit Kingkaew	Audit committee/Independent Director	325,000	300,000
8. Mr. Dej Bulsuk	Audit Committee/Independent Director	320,000	480,000
Total		3,040,000	3,060,000

***Directors' remuneration for the year 2013 at the same rate in 2012. Since 2013 the company paid bonuses to directors

2) Executives' remuneration.

Total remuneration for executives, the period ended 31 December 2013 and 2012

Remuneration**	2013	2012
Executive ^{***} (Baht)	23,908,000	20,629,464
จำนวนผู้บริหาร (Person)	5	4

** Executive refer to Executive Committee and the company's management according to the definition of the Office of Securities Exchange Commission.

***Remuneration comprised of salary, bonus and other remuneration such as commission, position fees, transportation, social securities, provident funds and other remuneration paid with the salary.

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 3 executive directors

8.2 1 non-executive director

8.3 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

Company's article of association stated the requirement to distribute the invitation to the Shareholders' Meeting with supporting documents to Board of Directors at least 7 days prior to the meeting for consideration and in order to comply with the minimum period required by the relevant law. In 2012-2013, having a written record of the meeting and kept the minutes of the meeting were approved by the Board of Directors and it can be audited by directors and related parties. Details of attendance of each director are as follows:

Board of Directors

Board of Directors' Meeting shall be held at least four (4) times a year and will be recorded in written and having a data storage systems that can be monitored. During 2012 and 2013, the company held the board of directors' Meeting at ten (10) times and five (5) times , respectively. Details of attendance of each member of the board of directors are as follows:

	Position	Position	2012	2013
1	Mr. Pisnu Pong-acha	Chairman of the Board	9/10	5/5
2	Mr. Adisak Sukumvitaya	Director	10/10	5/5
3	Miss Yuvadee Pong-acha	Director	10/10	5/5
4	Mrs. Manee Soonthornvatin	Director	10/10	5/5
5	Mr. Pracha Tansaenee	Director	10/10	5/5
6	Mr. Phisit Dachanabhirom	Director	10/10	4/5
7	Mr. Dej ¹ Bulsuk	Director	9/10	4/5
8	Mr. Suwit Kingkaew	Director	10/10	4/5

¹ Mr. Dej Bulsuk Audit Committee/Independent Director has resigned which will be effective on August 13, 2013

Audit Committee

Audit Committees' Meeting shall be held at least four (4) times a year and will be recorded in written and having a data storage systems that can be monitored. During 2012 and 2013, the company held the audit committees' meeting at four (4) times each year. Details of attendance of each member of the audit committee are as follows:

	Name	Position	2012	2013
1	Mr. Phisit Dachanabhirom	Chairman of Auditor Committee	4/4	4/4
2	Mr. Dej ¹ Bulsuk	Audit Committee	4/4	3/4
3	Mr. Suwit Kingkaew	Audit Committee	4/4	4/4
4	Mr. Pracha ² Tansaenee	Audit Committee	-	1/4

¹ Mr. Dej Bulsuk Audit Committee has resigned which will be effective on August 13, 2013

² Mr. Pracha Tansaenee had been appointed from Audit Committee effective on August 13, 2013

Executive Committee

Executive Committees' Meeting shall be held at least four (4) times a year and will be recorded in written and having a data storage systems that can be monitored. During 2012 and 2013, the company held the board of directors' Meeting at s nine (9) times and six (6) times, respectively. Details of attendance of each member of the executive committee are as follows:

	Name	Position	2012	2013
1	Mr. Adisak Sukumvitaya	Chairman of the Executive Committee	9/9	6/6
2	Miss Yuvadee Pong-acha	Executive Committee	9/9	6/6
3	Mrs. Manee Soonthornvatin	Executive Committee	9/9	6/6
4	Miss Ladda	Executive Committee	9/9	6/6

Directors and Executive' remuneration Committee

Directors and Executive' remuneration Committees' Meeting shall be held at least four (2) times a year and will be recorded in written and having a data storage systems that can be monitored. During 2012 and 2013, the company held the board of directors' Meeting at two (2) times and two (2) times, respectively. Details of attendance of each member of the executive committee are as follows:

	Name	Position	2012	2013
1	Mr. Suwit Kingkaew	Chairman of Selection and remuneration committee	2/2	2/2
2	Mr. Phisit Dachanabhirom	Selection and remuneration committee	2/2	2/2
3	Mr. Adisak Sukumvitaya ¹	Selection and remuneration committee	1/2	-
4	Miss Yuvadee Pong-acha ²	Selection and remuneration committee	1/2	2/2

¹ Mr. Adisak Sukumvitaya, selection and remuneration committee has resigned which will be effective on August 10, 2012.

² Miss Yuvadee Pong-acha had been appointed from Directors and Executive' remuneration Meeting, effective on August 10, 2012

12. Audit 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.

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 2012, the Company has hired outsource internal auditor is Earns & 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 2013 and 2012, 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
		2013	2012	
Mr. Pitsanu Pongatcha has following relationship with Jay Mart Pcl. - Chaiman of the Board - Brother of Yuvadee Pongatcha - Holds 0.15% of the Company’ s paid-up capital.	Rent warehouse No.35 Soi Lumsali, Huamark, Bangkokpi, Bangkok. The contract is valid for 3 years, starting 1 July 2013 to 30 June 2019 at a rental rate of Baht 100,000 per month.	1,020,000	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.
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 75% of JMT’ s paid-up capital.	<p>Sell mobile phone products.</p> <p>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 2011- 31 Dec 2011 at Baht 270,000 per month).</p>		<div>389,112</div> <div>1,080,000</div>	<p>Mobile phone sales is the Company’ s normal business operation and is done at market price, which can be compared to other customers.</p> <p>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. (From May1,2012 JMT has performed the transaction by itself due to its larger business size)</p>

Related person/ Nature of business/ Relationship	Details of transactions	Transaction value (Baht)		Necessity and rationale of the transactions
		2013	2012	
JMT Network Services Company Limited				The Company provided loan to JMT for the bid of NPLs purchasing with the interest rate in line with the market. The Audit Committee opined that it was necessary and reasonable
	Short-term Loan	-	61,000,000	The Company sold the voucher to JMT for the sales promotion at the price's value and the Audit Committee opined that it was necessary and reasonable.
	Loan at the beginning period		195,000,000	
	Loan between the period		(256,000,000)	
	Payback between the period		0	
	Loan at the end of the period			
	Loan Interest income	-	2,154,753	The Company sold the voucher to JMT for the sales promotion at the price's value and the Audit Committee opined that it was necessary and reasonable.
	Sales promotion income	-	124,500	
	Head office space for rent. -Rental income , service charges, and public utility	14,373,692	3,443,384	The company lets the JMT PLC rent the head office space. The rental fee, service and public utility expense is charged at market price when compared to nearby area. And the audit Committee opined that it was necessary and reasonable.
	Tracking and collection of debt service	28,233	70,113	The company lets the JMT PLC tracking and collecting debt and the fee is charged at the same rate as the general customers. Audit Committee opined that it was necessary and reasonable.
	Document Delivery service Expense	54,975	131,815	The company lets the JMT PLC tracking and collecting debt and the fee is charged at the same rate as the general customers. Audit Committee opined that it was necessary and reasonable.

Related person/ Nature of business/ Relationship	Details of transactions	Transaction value (Baht)		Necessity and rationale of the transactions
		2013	2012	
JMT Network Services Company Limited	Other creditor Revenue that being paid through Pay Point at the ending period but not yet delivered to the JMT PLC.	707,847	291,378	The company is a provider of payment for goods or services through the shop/the company's network (paypoint) And the fee of the payment will be charged at market price. Audit Committee opined that it was necessary and reasonable.
JMT Plus Co, Ltd. Operates debt and collecting and provides leasing service. Its head office is located at 325/7 JMART Tower, Floor 4, Ramkhamhang Rd., Saphasoong Sub-District, Saphansoong District, Bangkok. It has the relationships with JMART Public Company Limited as follows: - JMART Public Company Limited holds 99.99% of the paid up capital in JMT Plus Co., Ltd.	Sell mobile phone products. Short-term Loan Loan at the beginning period Loan between the period Payback between the period Loan at the end of the period Interest received To provide renting service of the head office. The rental fee, service fee, and the utility fee are the revenue. Other creditor Money paid through Pay point at the end of the period but not yet delivered to JMT plus.	- - 864,144 12,580	24,766 - 11,000,000 <u>(11,000,000)</u> <u>0</u> 76,762 216,036 -	Selling of cell phones which is the normal business operation of the Company and the selling price is the appropriate price which is the market price and can be compared with other customers The Company provided loan to JMT Plus Co., Ltd. with the market interest rate. JMT Plus Co., Ltd. rents the office at the Company's head office. The rental fee, service fee, and utility fee are the market price in the nearby areas. The Audit Committee opined that it was necessary and reasonable. The company is a provider of payment for products or services through the store or the company network (Pay point) by market capitalization rate of customers to pay money. The Audit Committee opined that it was necessary and

Related person/ Nature of business/ Relationship	Details of transactions	Transaction value (Baht)		Necessity and rationale of the transactions
		2013	2012	
<p>JAS Asset Co., Ltd. performs retail area management of which the head office is located at 325/7 JMART Tower, Floor 4, Ramkhamhang Rd., Saphasoong Sub-District, Saphansoong District, Bangkok.</p> <p>It has the relationships with JMART Public Company Limited as follows:</p> <p>- JMART Public Company Limited holds 99.99% of the paid up capital in JMT Plus.</p>	Selling products	587,030	124,810	reasonable. Selling of cell phones which is the normal business operation of the Company and the selling price is the appropriate price which is the market price and can be compared with other customers.
	Long-term Loan			
	Loan at the beginning period	151,000,000	-	The Company provided loan to J AS Asset Co., Ltd. with the market interest rate.
	Loan between the period	114,000,000	268,000,000	
	Payback between the period	(217,000,000)	(117,000,000)	
	Loan at the end of the period	48,000,000	<u>151,000,000</u>	
	Interest Received	2,238,837	1,637,822	
	To provide renting service of the head office. The rental fee, service fee, and the utility fee are the revenue.	460,875	111,006	J AS Asset Co., Ltd. rents the area at the head office of the Company at the rental fee, service fee, and utility fee at the market price which is compared with the rate within the nearby areas. The Audit Committee opined that it was necessary and reasonable.
	Rental fee, Service fee, and utility fee for the rental of IT Junction	9,342,222	5,325,090	The Company rents the area with JSS Asset Co., Ltd. to open a branch in IT Junction where the rental fee, service fee, and utility fee are at the market price which can be compared with other customers.

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 2013 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 4 independent directors.

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

Miss Kanlayakorn Pitiworawong is the *secretary of the Audit Committee*

¹Mr. Dej Bulsuk Audit Committee has resigned which will be effective on August 13, 2013

²Mr. Pracha Tansaenee had been appointed from Audit Committee effective on August 13, 2013

During 2013, Audit Committee arranged 4 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 P&L Internal Audit Limited to be the Company's Internal Auditors. The auditing of such shall cover important working system of the Company; namely, Retail distribution system and controlling stock of **Control of information systems and Management fixed assets**. 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
	2013	2012	YoY(%)
Total revenues	9,995.20	8,160.25	22.49%
Total costs	8,333.64	6,884.40	21.05%
Gross profits	1,661.56	1,275.85	30.23%
Sales and Administration expenses	1,099.09	793.57	38.50%
Earnings before interest and tax	562.47	482.28	16.63%
Net Profits	400.19	340.81	17.42%

Revenue

The Company's total revenues was increased from Baht 8,160.25 million in 2012 to Baht 9,995.20 million in 2013, or increase 22.44%. 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 and phone accessories was increased from Baht 7,439.09 million in 2012 to Baht 9,242.09 million in 2013, an increase of Baht 1,803 million, or 24.23% due to the increase in selling volume and the expansion of the distribution.
2. Total revenue from debt collection and other services, and debt investment collection from debtor was increased from Baht 393.54 million in 2012 to Baht 362.25 million in 2013, an decrease of Baht 31.29 million, or 7.95% due to the Company has more purchased bad debt to manage by self. The increase in non-performing debt auction for their management from increasingly reducing the account receivables investment affected the decrease in revenue recognition while the total of collections still increased from last year.
3. Rental revenue which is the revenue from retail space rental in the format of the management of wholesale under brand name "IT Junction". The increase was from 253.10 million baht in 2012 to be 337.14 million baht in 2013 or the increase for 84.04 million baht approximated for 33.20% due to the expansion of space for rent increase.

Other revenues was decreased from Baht 74.52 million in 2012 to Baht 53.71 million in 2013, an increase of Baht 20.81 million, or 20.81 %. It was resulted from the company profit from adjustment in fair value of real estate for investment for 43.90 million baht in 2012.

Cost of sales

In 2013 and 2012, the Company had the cost of sales of Baht 8,333.64 million and Baht ๖,๘๘๔.๔๐ 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 2013 and 2012, The Company had the sales and administration expenses of Baht 1,099.09 million and Baht 793.57 million respectively, which was increased of Baht 305.52 million, or 38.50 % in comparison with the previous year. The increased in expenses was mainly due to the increased in marketing management and activities and Cost Esop.

Net Profit

In 2013 and 2012, the Company had the gross profit of Baht 1,661.56 million and Baht 1,275.85 million respectively 385.71 million which increase by 30.23 %. due to the increase in selling volume, the expansion of IT Junction and Company has more purchased bad debt to manage by self to get profit margin increases.

In 2013 and 2012, the Company had the net profit of Baht 418.96 million and Baht 366.75million, an increase by 14.24 %, representing the EPS of Baht 0.97and Baht 0.93, respectively.

Financial Status

Assets

As of December 31, 2013, the Company had total assets of Baht 4,649.36 million, divided into current assets of Baht 2,436.86 million, or 52.41 % of the total assets and non-current assets of Baht 2,212.52 million, or 47.59 % of total assets. A comparison with the end of 2012, the Company's total assets was increase of Baht1, 1,167.74 million, or 33.54%

There are the significant changes of assets in 2013 as the following;

1. Trade accounts receivable - net were Baht 269.99 million, or 5.81 % of total assets, which was decrease of Baht 15.87 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 99.24 % of total accounts receivable, and there are only 0.76 % overdue for more than 3 months.
2. Inventory – net was Baht 1,281.81 million, or 27.57 % of total assets, which was increase of Baht 380.27 million from the previous year due to the increase in distribution according to the increase of sales revenue.
3. Investments in accounts receivable – net was Baht 723.91 million, or 15.57% of total assets, which was increase of Baht 176.09 million from the previous year due to the Company has more purchased bad debt to manage by self.
4. Property, plant and equipment – net was Baht 737.86 million, or 15.87 % of total assets, which was increase of Baht 148.14 million Resulted from building and decoration of Jaymart Building
5. Property for investment equals to Baht 235.37 million or representing 5.06 % from the space rental business extension at J-market.

Liabilities

As of December 31, 2013, the Company had total liabilities of Baht 2,733.28 million in comparison with the end of 2012, the increase of Baht 977.66 million, or 55.69 %, There are the significant changes of liabilities in 2013 as the following;

1. Bank Overdrafts (O/D) and short-term loan from financial institution of Baht 1,728.31 million, the increase of Baht 657.03 million.
2. Trade accounts payable of Baht 398.61 million, the increase of Baht 178.54 million due to the reduction of orders.
3. Long - term loans of Baht 341.63 million, the increase of Baht 120.04 million due to the purchase land and buildings under construction.

Liquidity

During 2013, the Company had the net increase in cash and cash equivalents of Baht 84.97 million, divided into cash flow details of each activities as the following;

	2013	2012
Cash flow from operating activities	(83.68)	(506.01)
Cash flow from investing activities	(324.81)	(664.83)
Cash flow from financing activities	493.46	1,234.23
Net increase (decrease) in cash and cash equivalents	84.97	63.38

Cash flow from operating activities in 2013, the Company had net cash flow from operating activities of Baht 83.68 million, as a result from increasing in profits from operations and trade accounts payable. In 2012, the Company had net cash flow in from operations of Baht 506.01 million due to decrease of inventories.

Cash flow from investing activities in 2013, the Company had net cash flow from investing activities of Baht 324.81 million, from cash payment for Jaymart building construction cost and branch decoration cost.

In 2012, the net cash flow in from investing activities showed Baht 664.83 million due to decreasing restricted cash deposits in financial institutions.

Cash flow from financing activities in 2013, the Company had net cash flow from financing activities of Baht 493.46 million, which mainly due to short-term and long-term loans from financial institutions. In 2012, the Company had net cash paid in financing activities of Baht 1,234.23 million which mainly due to the Company repaid short-term loans and paid dividend.

The Company's current ratio in 2013 increased to 1.06 from 1.20 in 2012 was mainly due to the decrease in short-term loan and accounts payable increase.

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, 2013, The Company's shareholder's equity in amount of Baht 1,916.08 an increase of Baht 190.07 million, or 11.01 % from the year 2011, which was increased in un appropriated retained earnings of Baht 62.14 million. During 2013, the Company had paid the dividend of 2 times to the Shareholders in the total amount of Baht 291.02 million. As of December 31, 2013, the short-term loan from financial institution in amount of Baht 1,728.31 million, the increase of Baht 657.03million, or 61.33% from the previous year.

Auditing Fee

The Company and its subsidiaries' 2013 and 2012 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 2013 and 2012 amounted for Baht 2.75 million and Baht 2.66

Auditing Fee

	<u>2013</u>	<u>2012</u>
1. Financial Statement Auditing Fee		
Jay Mart Public Company Limited (Baht)	1.50	1.51
2. Financial Statement Auditing Fee		
Jay Mart Public Company Limited and its subsidiaries (Baht)	2.75	2.66

Corporate Social Responsibility of the Company

The sense of being part of social, the Company has realized that the operation for social is an important part. The Company continues support and participates in charity and many activities which are the useful for social part.

In 2013 the company has organized social activities. "Project Punrak punnamjai for Children" bring sportswear and sports equipment 200 sets. Instrument, stationery and contributions to capital. Prakritwetsak school. School Director and faculty and students of the 200 who received the donation.



REPORT OF INDEPENDENT AUDITOR

To the Shareholders of Jay Mart Public Company Limited

I have audited the accompanying consolidated financial statements of Jay Mart Public Company Limited and its subsidiaries which comprise the consolidated statement of financial position as at 31 December 2013, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes disclosure summarizing significant accounting policies and other explanatory information. I have also audited the separate financial statements of Jay Mart Public Company Limited which comprise the separate statements of financial position as at 31 December 2013, and the related separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, including notes disclosure summarizing accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's management is responsible for the preparation and the fair presentation of these financial statements in accordance with Thai Financial Reporting Standards and for such internal controls as management determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements, including planning and performing the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The selected audit procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

I believe that the audit evidences I have obtained are sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the consolidated financial position as at 31 December 2013 and the consolidated results of operations and cash flows for the year then ended of Jay Mart Public Company Limited and its subsidiaries, and the separate financial position as at 31 December 2013 and its results of operations and cash flows for the year then ended of Jay Mart Public Company Limited, in accordance with Thai Financial Reporting Standards.

Mrs. Sumalee Chokdeeanant

Certified Public Accountant

Registration No. 3322

Bangkok, Thailand

20 February 2014

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

	Notes	CONSOLIDATED			SEPARATE		
		31 December 2013	31 December 2012	31 December 2011	31 December 2013	31 December 2012	31 December 2011
			(Restated)	(Restated)		(Restated)	(Restated)
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	5	198,861,107	113,890,666	50,506,001	167,982,572	97,595,508	46,589,053
Trade accounts receivable							
- general customers - net	6	269,986,153	264,574,208	188,941,063	254,868,018	243,604,127	180,146,176
- related company	33	-	21,280,470	10,111,762	-	18,005,614	8,440,272
Inventories - net	7	1,253,019,004	901,536,064	506,019,249	1,253,019,004	901,507,406	506,019,249
Accrued income	8	383,247,616	277,845,094	151,823,241	371,188,669	268,656,494	140,874,711
Refundable value added tax		87,567,097	51,827,921	7,502,141	83,646,554	47,394,643	6,839,167
Advance payment for purchasing goods	9	9,623,331	17,856,290	25,442,794	9,623,331	17,856,290	25,442,794
Current portion of							
hire purchases receivable - net	10	18,193,831	18,458,794	2,653,305	-	-	-
Short - term loan to subsidiary company	33	-	-	-	48,000,000	151,000,000	61,000,000
Other receivable - subsidiary companies	33	-	-	-	-	26,416	-
Other current assets	11	182,610,927	83,712,798	39,479,323	145,669,533	61,744,993	25,030,381
Total Current Assets		2,403,109,066	1,750,982,305	982,478,879	2,333,997,681	1,807,391,491	1,000,381,803
NON - CURRENT ASSETS							
Hire purchases receivable - net	10	54,915,285	89,813,842	13,861,247	-	-	-
Investments in accounts receivable - net	12	723,908,819	547,815,839	359,272,280	-	-	-
Restricted deposits with							
financial institutions	13	2,649,316	3,432,000	3,046,550	-	2,072,981	2,029,933
Investments - subsidiary companies	14	-	-	-	297,999,740	274,999,770	119,999,800
- associated company	14	21,600,000	-	-	-	-	-
Investment properties	15	235,372,933	212,214,471	-	-	-	-
Property, plant and equipment - net	16	737,858,554	589,718,353	205,857,627	671,499,728	539,704,420	200,294,294
Computer softwares - net	17	36,783,699	26,445,715	10,292,830	25,221,670	19,718,791	9,141,858
Costs of leasehold rights - net	18	134,868,050	113,585,414	38,544,463	134,868,050	113,585,414	38,544,463
Deferred income tax asset	29	3,447,586	955,415	5,727,632	-	-	5,076,298
Other non - current assets	19	294,847,982	146,659,561	108,483,787	165,606,648	70,262,165	106,456,903
Total Non - Current Assets		2,246,252,224	1,730,640,610	745,086,416	1,295,195,836	1,020,343,541	481,543,549
TOTAL ASSETS		4,649,361,290	3,481,622,915	1,727,565,295	3,629,193,517	2,827,735,032	1,481,925,352

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

	Notes	CONSOLIDATED			SEPARATE		
		31 December 2013	31 December 2012	31 December 2011	31 December 2013	31 December 2012	31 December 2011
			(Restated)	(Restated)		(Restated)	(Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES							
Short - term loans from							
financial institutions	20	1,728,310,331	1,071,279,620	616,548,570	1,535,970,331	987,279,620	472,848,570
Trade accounts payable		398,614,414	220,067,531	181,306,033	312,860,838	214,262,061	180,453,255
Current portion of							
- Liabilities under finance lease agreements	21	436,220	473,324	127,065	-	-	-
- Long - term loans	22	33,650,482	25,408,425	8,552,481	25,646,577	25,408,425	8,552,481
Other payables - subsidiary companies	33	-	-	-	1,989,221	960,516	34,283
Accrued expenses	24	68,006,236	56,863,952	41,630,723	48,586,094	44,593,991	32,387,231
Income tax payable		39,777,863	46,325,375	40,325,072	32,722,588	30,217,002	19,379,674
Retentions payable		5,654,275	21,868,712	-	5,654,275	21,868,712	-
Other current liabilities		27,668,862	12,275,888	9,072,610	13,231,145	5,477,520	7,009,069
Total Current Liabilities		2,302,118,683	1,454,562,827	897,562,554	1,976,661,069	1,330,067,847	720,664,563
NON - CURRENT LIABILITIES							
Liabilities under finance lease agreements - net	21	410,984	847,205	201,186	-	-	-
Long - term loans - net	22	307,974,205	196,179,094	79,317,519	195,978,110	196,179,094	79,317,519
Rental deposits - related company	33	-	804,528	804,528	-	804,528	804,528
- subsidiary companies	33	-	-	-	1,111,221	-	-
Employee benefits obligations	23	19,047,024	19,439,163	16,153,820	15,260,047	16,270,552	14,280,152
Deferred income tax liability	29	8,496,085	8,772,818	-	610	212,247	-
Other non - current liabilities	25	95,236,811	75,011,681	54,467,191	5,205,542	4,365,827	54,467,191
Total Non - Current Liabilities		431,165,109	301,054,489	150,944,244	217,555,530	217,832,248	148,869,390
TOTAL LIABILITIES		2,733,283,792	1,755,617,316	1,048,506,798	2,194,216,599	1,547,900,095	869,533,953
SHAREHOLDERS' EQUITY							
Share capital, common share at Baht 1 par value							
Registered 420,000,000 shares	26	420,000,000	420,000,000	420,000,000	420,000,000	420,000,000	420,000,000
Fully paid - up 417,587,529 shares							
(2012 : 415,082,429 shares)	26	419,573,608	415,082,429	300,000,000	419,573,608	415,082,429	300,000,000
Premium on share capital	26	548,019,741	489,481,908	52,330,000	548,019,741	489,481,908	52,330,000
Warrants	27	-	891,712	-	-	891,712	-
Surplus from change in proportion of							
investment in subsidiary company		136,343,425	136,343,425	-	-	-	-
Retained earnings							
Appropriated for statutory reserve	28	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000
Unappropriated		592,172,264	462,757,061	284,728,297	400,955,025	307,950,344	218,061,399
Other components of equity	2	24,428,544	24,428,544	-	24,428,544	24,428,544	-
Shareholders' equity of the Company		1,762,537,582	1,570,985,079	679,058,297	1,434,976,918	1,279,834,937	612,391,399
Non - controlling interests in subsidiaries		153,539,916	155,020,520	200	-	-	-
SHAREHOLDERS' EQUITY - NET		1,916,077,498	1,726,005,599	679,058,497	1,434,976,918	1,279,834,937	612,391,399
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,649,361,290	3,481,622,915	1,727,565,295	3,629,193,517	2,827,735,032	1,481,925,352

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

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JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	Notes	CONSOLIDATED		SEPARATE	
		2013	2012 (Restated)	2013	2012 (Restated)
REVENUES FROM SALES AND SERVICES	37				
Sales		8,965,718,552	7,296,996,456	8,966,305,583	7,297,535,145
Income from debts collection and other services		362,250,890	393,535,673	-	-
Rental income		337,143,802	253,103,328	23,282,726	57,846,936
Total revenues from sales and services		9,665,113,244	7,943,635,457	8,989,588,309	7,355,382,081
COSTS OF SALES AND SERVICES	36, 37				
Costs of sales		(7,873,683,049)	(6,486,580,183)	(7,874,270,080)	(6,487,118,873)
Costs of debts collection and other services		(195,605,347)	(187,082,590)	-	-
Costs of rent		(264,348,462)	(210,736,261)	(2,606,987)	(38,551,093)
Total costs of sales and services		(8,333,636,858)	(6,884,399,034)	(7,876,877,067)	(6,525,669,966)
Gross profit		1,331,476,386	1,059,236,423	1,112,711,242	829,712,115
Sales promotion income	33	276,374,736	142,098,048	271,854,736	136,001,298
Dividend income	33	-	-	60,749,946	68,249,916
Other income	33	53,712,249	30,618,960	48,232,733	32,787,319
Management fee income	33	-	-	-	1,080,000
Gain from fair value adjustment of investment properties		-	43,900,000	-	-
Income before expenses		1,661,563,371	1,275,853,431	1,493,548,657	1,067,830,648
Selling expenses		(716,986,848)	(498,300,465)	(711,943,111)	(495,934,773)
Administrative expenses		(382,106,352)	(295,264,949)	(293,977,293)	(231,267,477)
Total expenses	36	(1,099,093,200)	(793,565,414)	(1,005,920,404)	(727,202,250)
Income before finance cost and income tax		562,470,171	482,288,017	487,628,253	340,628,398
Finance cost		(52,874,217)	(40,042,047)	(48,199,470)	(29,374,621)
Income before income tax		509,595,954	442,245,970	439,428,783	311,253,777
Income tax - net	29	(90,636,533)	(97,871,763)	(75,649,334)	(58,944,760)
Total income for the period		418,959,421	344,374,207	363,779,449	252,309,017
Other comprehensive income (loss) for the year					
Surplus on revaluation of assets		-	24,428,544	-	24,428,544
Loss from actuarial assessments		-	(2,050,933)	-	(2,039,843)
Total comprehensive income for the year		418,959,421	366,751,818	363,779,449	274,697,718
Allocation of income for the year:					
Portion of the Company's shareholders		400,189,971	340,813,529	363,779,449	252,309,017
Portion of non - controlling interests in subsidiaries		18,769,450	3,560,678	-	-
		418,959,421	344,374,207	363,779,449	252,309,017
Allocation of comprehensive income:					
Portion of the Company's shareholders		400,189,971	362,837,537	363,779,449	274,697,718
Portion of non - controlling interests in subsidiaries		18,769,450	3,914,281	-	-
		418,959,421	366,751,818	363,779,449	274,697,718
BASIC EARNINGS PER SHARE	31				
Basic earnings per share					
Income per share (Baht per share)		0.96	0.93	0.87	0.69
Weighted average number of common share (Shares)		417,489,108	366,868,355	417,489,108	366,868,355
Diluted earnings per share					
Income per share (Baht per share)		0.96	0.92	0.87	0.68
Weighted average number of common share (Shares)		417,489,108	371,050,625	417,489,108	371,050,625

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

3

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

(Unit : Baht)

Company's Shareholders' equity										
					Retained Earnings		Other component			
		Issued and	Premium on		Surplus from change			of equity	Total equity	
		paid - up	share		in proportion of	Statutory	Unappropriated	Surplus on	attributable to	Non -
		share capital	capital	Warrants	investment	reserve	(Restated)	revaluation	the Company's	controlling
Notes					in subsidiary company			of assets	shareholders	interests
										Total
CONSOLIDATED F/S										
Balance as at 1 January 2012 - as previously reported		300,000,000	52,330,000	-	-	42,000,000	279,000,665	-	673,330,665	200
Cumulative effect adjstment from changed accounting policy for										
deferred income tax	2	-	-	-	-	-	5,727,632	-	5,727,632	-
Balance as at 1 January 2012 - as restated		300,000,000	52,330,000	-	-	42,000,000	284,728,297	-	679,058,297	200
Increased share capital	26	115,082,429	437,151,908	-	-	-	-	-	552,234,337	-
Increased share capital - subsidairy company		-	-	-	-	-	-	-	-	287,449,464
Warrant awaiting for conversion	27	-	-	891,712	-	-	-	-	891,712	-
Surplus from change in proportion of investment										
in subsidiary compay		-	-	-	136,343,425	-	-	-	136,343,425	(136,343,425)
Comprehensive income for the year - restated		-	-	-	-	-	338,408,993	24,428,544	362,837,537	3,914,281
Dividend paid	30	-	-	-	-	-	(160,380,229)	-	(160,380,229)	-
Balance as at 31 December 2012 - as restated		415,082,429	489,481,908	891,712	136,343,425	42,000,000	462,757,061	24,428,544	1,570,985,079	155,020,520
Balance as at 1 January 2013 - as previously reported		415,082,429	489,481,908	891,712	136,343,425	42,000,000	464,467,328	30,535,680	1,578,802,482	155,020,520
Cumulative effect adjstment from changed accounting policy for										
deferred income tax	2	-	-	-	-	-	(1,710,267)	(6,107,136)	(7,817,403)	-
Balance as at 1 January 2013 - as restated		415,082,429	489,481,908	891,712	136,343,425	42,000,000	462,757,061	24,428,544	1,570,985,079	155,020,520
Increased share capital	26	4,491,179	58,537,833	-	-	-	-	-	63,029,012	-
Warrant conversion	27	-	-	(891,712)	-	-	-	-	(891,712)	-
Comprehensive income for the year		-	-	-	-	-	400,189,971	-	400,189,971	18,769,450
Dividend paid	30	-	-	-	-	-	(270,774,768)	-	(270,774,768)	-
Dividend paid from subsidiary		-	-	-	-	-	-	-	-	(20,250,054)
Balance as at 31 December 2013		419,573,608	548,019,741	-	136,343,425	42,000,000	592,172,264	24,428,544	1,762,537,582	153,539,916

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

JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED 31 DECEMBER

							(Unit : Baht)
				Retained Earnings		Other component	
		Issued and	Premium on			of equity	
		paid - up	share		Statutory	Unappropriated	Surplus on
		share capital	capital	Warrants	reserve	(Restated)	revaluation
	Notes						of assets
<u>SEPARATE F/S</u>							
Balance as at 1 January 2012 - as previously reported		300,000,000	52,330,000	-	42,000,000	212,985,101	-
Cumulative effect adjsutment from changed accounting policy for deferred income tax	2	-	-	-	-	5,076,298	-
Balance as at 1 January 2012 - as restated		300,000,000	52,330,000	-	42,000,000	218,061,399	-
Increased share capital	26	115,082,429	437,151,908	-	-	-	-
Warrant awaiting for conversion	27	-	-	891,712	-	-	-
Comprehensive income for the year - restated		-	-	-	-	250,269,174	24,428,544
Dividend paid	30	-	-	-	-	(160,380,229)	-
Balance as at 31 December 2012 - as restated		415,082,429	489,481,908	891,712	42,000,000	307,950,344	24,428,544
Balance as at 1 January 2013 - as previously reported		415,082,429	489,481,908	891,712	42,000,000	302,055,455	30,535,680
Cumulative effect adjsutment from changed accounting policy for deferred income tax	2	-	-	-	-	5,894,889	(6,107,136)
Balance as at 1 January 2013 - as restated		415,082,429	489,481,908	891,712	42,000,000	307,950,344	24,428,544
Increased share capital	26	4,491,179	58,537,833	-	-	-	-
Warrant conversion	27	-	-	(891,712)	-	-	-
Comprehensive income for the year		-	-	-	-	363,779,449	-
Dividend paid	30	-	-	-	-	(270,774,768)	-
Balance as at 31 December 2013		419,573,608	548,019,741	-	42,000,000	400,955,025	24,428,544

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

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

(Unit : Baht)

	CONSOLIDATED		SEPARATE	
	2013	2012	2013	2012
Cash flows from operating activities:				
Income before income tax	509,595,954	442,245,970	439,428,783	311,253,777
Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities:				
Bad debt and allowance for doubtful accounts	22,595,157	11,332,021	506,877	9,188,922
Allowance for obsolete inventories	4,823,515	964,435	4,823,515	964,435
Inventories written off	1,301,630	433,190	1,301,630	433,190
Depreciation and amortization	101,656,177	52,185,506	86,535,642	45,080,455
Loss on sales of fixed assets	4,009,519	1,324,638	4,061,062	1,234,214
Unrealized loss (gain) on foreign exchange rate	(143,233)	36,082	(143,233)	36,082
Interest income	(10,113,654)	(10,397,598)	(3,478,633)	(8,097,746)
Interest expense	52,151,494	40,042,047	48,199,470	29,374,621
Dividend income	-	-	(60,749,946)	(68,249,916)
Reserve for warrant conversion to common share by employees	54,245,263	33,511,762	54,245,263	33,511,762
Gain from fair value adjustment of investment properties	-	(43,900,000)	-	-
Provision for employee benefits obligation expense	1,428,464	1,332,066	962,596	1,060,411
Cash provided from operating activities before changes in operating assets and liabilities	741,550,286	529,110,119	575,693,026	355,790,207
Decrease (increase) in operating assets:				
Trade accounts receivable - general customers - net	(13,945,844)	(90,839,800)	(11,770,768)	(72,646,873)
- related company	21,280,470	(11,168,708)	18,005,614	(9,565,342)
Inventories	(357,608,085)	(396,914,440)	(357,636,744)	(396,885,782)
Accrued income	(104,816,189)	(125,503,227)	(102,543,520)	(127,781,548)
Refundable value added tax	(35,739,177)	(44,325,780)	(36,251,910)	(40,555,476)
Advance payments for purchasing goods	8,232,959	7,586,504	8,232,959	7,586,504
Short - term loan to subsidiary company	-	-	103,000,000	(90,000,000)
Other receivable - subsidiary companies	-	-	26,416	(26,416)
Other current assets	(98,947,787)	(38,487,569)	(83,924,539)	(36,995,927)
Hire purchases receivable	20,784,343	(93,982,871)	-	-
Investments in accounts receivable	(100,004,447)	(188,461,870)	-	-
Other non - current assets	(149,299,641)	(38,175,774)	(95,344,483)	36,194,738
Increase (decrease) in operating liabilities:				
Trade accounts payable	94,975,177	38,725,416	98,742,010	33,772,724
Other payables - subsidiary companies	-	-	1,028,705	19,682
Accrued expenses	11,142,284	15,233,229	3,992,103	12,206,760
Retentions payable	(16,214,437)	21,868,712	(16,214,437)	21,868,712
Other current liabilities	13,654,848	3,522,437	6,015,613	(1,899,489)
Employee benefits obligations	(2,690,000)	(1,400,300)	(2,690,000)	(1,400,300)
Other non - current liabilities	28,476,149	20,544,490	1,146,409	(50,101,364)
Cash provided from (used in) operating activities	60,830,909	(392,669,432)	109,506,454	(360,419,190)

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

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JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	CONSOLIDATED		SEPARATE	
	2013	2012	2013	2012
Cash provided from (used in) operating activities (continued)				
Cash received from interest	9,527,320	9,878,971	3,489,977	8,097,511
Cash paid for interest	(49,479,173)	(39,285,914)	(45,744,560)	(28,038,330)
Capitalized interest payment as costs of investment properties development	(4,595,343)	-	-	-
Income tax paid	(99,968,090)	(83,934,382)	(73,355,385)	(48,416,062)
Net cash provided from (used in) operating activities	(83,684,377)	(506,010,757)	(6,103,514)	(428,776,071)
Cash flows from investing activities:				
Decrease (increase) in restricted deposits with financial institutions	782,684	(385,450)	2,072,981	(43,048)
Additional investments - subsidiaries companies	-	-	(22,999,970)	(154,999,970)
- associated company	(21,600,000)	-	-	-
Proceeds from disposal of assets	2,083,405	8,948,428	1,841,765	8,854,365
Paid for purchase of assets	(255,473,932)	(424,090,014)	(218,983,302)	(367,357,453)
Paid for purchase of leasehold rights	(32,035,990)	(82,303,911)	(32,035,990)	(82,303,911)
Cash paid for purchases of investment properties	(18,563,119)	(167,000,000)	-	-
Cash received from dividend	-	-	60,749,946	68,249,916
Net cash used in investing activities	(324,806,952)	(664,830,947)	(209,354,570)	(527,600,101)
Cash flows from financing activities:				
Increase in bank overdraft and short - term loans from financial institutions	657,030,711	454,731,050	548,690,711	514,431,050
Repayment of liabilities under finance lease agreements	(473,324)	(905,722)	-	-
Proceed from long - term loans	120,037,168	133,717,519	37,168	133,717,519
Proceed from increase share capital	7,892,037	519,614,287	7,892,037	519,614,287
Proceed from increase share capital - subsidiary company	-	287,449,464	-	-
Dividend paid	(270,774,768)	(160,380,229)	(270,774,768)	(160,380,229)
Dividend paid from subsidiary company	(20,250,054)	-	-	-
Net cash provided from financing activities	493,461,770	1,234,226,369	285,845,148	1,007,382,627
Net increase in cash and cash equivalents	84,970,441	63,384,665	70,387,064	51,006,455
Cash and cash equivalents - beginning of the year	113,890,666	50,506,001	97,595,508	46,589,053
Cash and cash equivalents - end of the year	198,861,107	113,890,666	167,982,572	97,595,508
Supplemental cash flows information:				
Non-cash transactions				
A subsidiary company purchased investments in accounts receivable				
from financial institutions by installments not affecting the cash flows	83,714,939	77,407,774	-	-
Purchases of vehicles under finance lease agreements	-	1,898,000	-	-
Unrealized surplus on revaluation of land	-	30,535,680	-	30,535,680

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

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JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2013 and 2012

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 changed its status to a public company and registered 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 325/7, J MART Tower, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok, 10240, Thailand.

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, debts collection services and factoring business.

As at 31 December 2013 and 2012, the Company has major shareholders as follows :

<u>Name</u>	Percentage of Shareholding	
	2013	2012
Mr. Adisak Sukumvittaya	18.9	19.2
Miss Yuwadee Pong – acha	18.0	18.2
Miss Jutamas Sukumvittaya	7.9	8.0
Mr. Aekachai Sukumvittaya	7.6	7.7

2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 Basis of financial statement preparation

The accompanying financial statements have been officially prepared in Thai in accordance with the Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 and Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. The translation of these financial statements to other language must be in compliance with the official report in Thai.

The financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

The Federation of Accounting Professions has announced the application of accounting standards, the financial reporting standards that were amended in 2012 and 2013, and the interpretation of accounting standards and reporting standards, effective for fiscal years beginning on or after 1 January 2014. Currently, the Company's management is considering the impact when these financial reporting standards are initially applied.

The consolidated and separate financial statements have been prepared with the same manner as prior year, except for the adoption of TAS 12 Income taxes as follow:

TAS 12 Income tax

This accounting standard requires the Company to identify temporary differences between the carrying amounts of assets or liabilities under the accounting basis and corresponding amounts under tax basis, in order to recognize the tax effects as deferred tax asset or liability subjecting to certain recognition criteria. Effective 1 January 2013, the Company has adopted such accounting policy and restated the prior year financial statements, presented for comparative information, as if it had recognized the income tax effects as deferred income tax asset or liability in the previous years.

The income tax expense recognized in profit or loss for the year comprises deferred income taxes and current income tax not recognized in other comprehensive income or directly in equity.

Current income tax

Current income tax is the expected tax payable or claimable on the taxable profit or loss for the year, which is different from profit or loss in the financial statements, using income tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years.

Deferred income tax

Deferred income taxes are calculated using the liability method on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred income taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred income tax asset are reviewed by management at the end of each reporting period and reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

The effect from adoption of new accounting policy

The effect from the adoption of new accounting policy are reflected in the financial statements for the year 2013 as follows :

				(Unit : Thousand Baht)		
	Consolidated F/S			Separate F/S		
	Previously Reported	Effect of change	Restated	Previously Reported	Effect of change	Restated
Statement of financial position						
as at 31 December 2011						
Deferred income tax asset	-	5,728	5,728	-	5,076	5,076
Retained earnings - Unappropriated	279,000	5,728	284,728	212,985	5,076	218,061
Statement of financial position						
as at 31 December 2012						
Deferred income tax asset	-	955	955	-	5,895	5,895
Deferred income tax liability	-	(8,772)	(8,772)	-	(6,107)	(6,107)
Retained earnings - Unappropriated	464,467	(1,710)	462,757	302,055	5,895	307,950
Other component of equity	30,536	(6,107)	24,429	30,536	(6,107)	24,429
Statement of comprehensive income for the						
year ended 31 December 2012						
Income tax expense	89,923	7,949	97,872	59,253	(308)	58,945
The effects on earnings per share for the						
year ended 31 December 2012						
Basic earnings per share (Baht)	0.95	(0.02)	0.93	0.69	-	0.69

2.2 Basis of consolidation

The consolidated financial statements include the separate financial statements of Jay Mart Public Company Limited and following subsidiaries:

Name of Entity	Percentage of shareholding		Type of businesses
	2013	2012	
<u>Subsidiary companies</u>			
JMT Network Services Public Company Limited	75.00%	75.00%	Debt collection business, non-performing receivables management, and leasing and factoring business
JAS Assets Company Limited	99.99%	99.99%	Property development
Jay Mart Holding Company Limited	99.99%	-	Holding Company
<u>Indirect subsidiaries</u>			
JMT Plus Company Limited	75.00%	75.00%	Debt collection business and leasing
JMT Insurance Broker Company Limited	75.00%	-	Insurance broker
J Asset Management Company Limited	75.00%	-	Asset management

On 5 February 2013, the subsidiary company invested in a new 99.99% owned subsidiary, JMT Insurance Broker Co., Ltd., to be Insurance broker business, with registered share capital of Baht 2 million.

On 24 April 2013, the Company established a new 99.99% owned subsidiary, Jay Mart Holding Co., Ltd., to engage in investment business, with registered share capital of Baht 1 million.

On 26 April 2013, the subsidiary company invested in a new 99.99% owned subsidiary, J Asset Management Co., Ltd., to do asset management business, with registered share capital of Baht 25 million.

The percentage of subsidiaries' assets and revenues included in the consolidated financial statements of Jay Mart Public Company Limited and subsidiaries as at 31 December 2013 and 2012, and total revenues for the years ended 31 December 2013 and 2012 are as follows:

Name of Entity	Percentage of subsidiaries' total assets to consolidated total assets		Percentage of subsidiaries' total revenues to consolidated total revenues	
	2013	2012	2013	2012
<u>Subsidiary companies</u>				
JMT Network Services Public Company Limited	20	21	4	5
JAS Assets Company Limited	9	10	4	3
Jay Mart Holding Company Limited	-	-	-	-
<u>Indirect subsidiaries</u>				
JMT Plus Company Limited	1	2	-	-
JMT Insurance Broker Company Limited	-	-	-	-
J Asset Management Company Limited	1	-	-	-

Significant inter - company transactions with subsidiaries included in the consolidated financial statements have been eliminated.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the some accounting transactions or accounting events.

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 statement of financial position.

3.2 Allowance for doubtful accounts

Trade accounts receivable from sale and services

Trade accounts receivable from sales and services 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.

Receivables under hire purchase agreements

Hire purchase receivables are stated net of unearned interest income and allowance for doubtful accounts. The subsidiary provides the allowance for doubtful accounts based on receivables aging report which is calculated from receivables under hire purchase agreements, net of unearned interest income and collaterals. The collaterals are calculated from the cash value as at agreement date, at the rate of 15% - 75% by considering the comparative of probability in the collection from debtors and the sales of collaterals. In addition, the subsidiary will consider the repayment ability of each debtor for overdue amounts.

The basis used for the provision of allowance for doubtful accounts were calculated by number of overdue instalment periods, less unearned interest income and collaterals as follows :

Overdue period	Allowance percentage
Current and overdue 1 period	1
Overdue 2 – 3 periods	2
Overdue 4 – 6 periods	20
Overdue 7 – 12 periods	50
Overdue more than 12 periods	100

Accounts that are considered un-collectable will be written off from the accounts.

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 sets up provision for obsolete, slow - moving and defective inventories, where necessary, from the consideration of market situation and the aged inventories as follows :

Inventory aged between 181 - 270 days	25
Inventory aged between 271 - 365 days	50
Inventory aged over 1 year	100

3.4 Assets foreclosed

These represent assets repossessed from hire purchases receivable and are stated at the lower of cost (the net outstanding balances) and estimated net realisable value. Allowance is made for the decline value of the repossessed assets.

3.5 Investments in accounts receivable

The investments in accounts receivable represent the subsidiary's investments from bidding of non-performing receivables of financial institutions and credit service companies at discounted values for debts collection. Under the purchase contracts at the discounted values of receivables, the subsidiary takes all the risks in the collection without recourse. Such investments in accounts receivable are carried at purchase cost less allowance for impairment (if any). The subsidiary will recognize loss on impairment of investments when its anticipate discounted cash flows to their present value are lower than book value.

3.6 Investments in subsidiary and associated companies

Investments in subsidiary and associated companies are accounted for in the separate financial statements by the cost method. Such investments refer to investments which the Company holds all shareholding under its control and management. Investments in associated companies are accounted for by equity method in the consolidated financial statements.

3.7 Investment property

Investment property of the subsidiary is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value. Any gain or loss arising from changes in the value of investment property is recognised in the statement of comprehensive income when incurred.

Upon disposal of investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of comprehensive income in the period when the asset is derecognised.

3.8 Land, Buildings and Equipment

Buildings and equipment are stated at costs. 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 statement of financial position at cost less accumulated depreciation and allowance for loss on impairment of assets (if any), except for land which is stated at their revalued amount. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any impairment loss (if any).

The Company and subsidiaries depreciate their buildings and equipment by the straight – line method over their estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimate useful lives of the assets are as follows :

	<u>Years</u>
Building and building improvements	10 -20
Office furniture	5
Office equipment	5
Tools and equipment	3 - 5
Vehicles	5

No depreciation is made for land, assets under installation, and building under construction.

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 cost of disposal, whichever is higher.

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

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as an expense when incurred.

3.9 Borrowing cost

The Company capitalizes the interest on loans for construction of office building and investment properties as part of the cost of such assets. The Company ceases to capitalize the related interest as part of acquisition cost when the construction of assets are completed.

3.10 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 comprehensive income on a straight-line basis over the estimated useful lives of the computer softwares for 5 years.

3.11 Cost of Lease rights

Cost of obtaining the lease rights is presented at cost less accumulated amortization and allowance for impairment (if any). Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of the leasehold rights for 10 to 26 years.

3.12 Hire purchases payable

Liabilities under hire - purchase contracts are presented with the contracted amounts less deferred interest. The hire purchase contracts are for 36 - 48 months. The fixed assets acquired under hire purchase agreements are recorded as assets of the Company at their cash price. The Company and subsidiaries will register the assets in the name of the Company upon the completion of payments.

3.13 Long - term leases - where Company and subsidiary are the lessees

Leases of equipment where the Company and subsidiary assume 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 values 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 comprehensive 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 comprehensive 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.

3.14 Long - term leases - where Company and subsidiary are the lessors

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

3.15 Impairment of assets

As at financial statement date, the Company and subsidiaries assess whether there is an indication that any asset may be impaired. If any such indication exists, the Company and subsidiaries make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the income statement. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

3.16 Revenue recognition

- 3.16.1 Sales are recognized upon delivery of merchandises to customers, net of sales taxes and discounts.
- 3.16.2 Interest income and other income are recognized on an accrual basis
- 3.16.3 Rental income and facilities services income are recognized under the term of the agreements.
- 3.16.4 Sales promotion and incentive income is recognized as income when the Company obtained approval from suppliers.
- 3.16.5 Dividend income is recognized upon the declaration of the paying company.
- 3.16.6 The subsidiary company recognizes service income from debts collection when services are rendered to customers based on the agreed rates.
- 3.16.7 The subsidiary company recognizes revenues from investments in accounts receivable by using effective interest rates (expected return on debts collection) calculate with outstanding investments in accounts receivable. If actual cash flows from collection exceed calculated revenues, the remaining cash will be deducted from the value of investments in receivable for each period. Should the cost of investments in receivable fully amortized, the subsidiary company will recognize such cash flows from collection as revenues and recognizes loss on impairment immediately when there is an indication of significant decrease in cash flows.
- 3.16.8 The penalty income, follow up fee, and interest income from transferred right of performing claim contracts are recognized as revenues when the amounts are invoiced and the subsidiary company ceases to recognize the revenue when the accounts receivable are transferred to the group that cease the recognition of income.
- 3.16.9 The subsidiaries recognize hire purchase interest income as income over the periods of the agreements, using effective rate method, with income recognized when the installments fall due irrespective of when actual collection is made. The subsidiaries cease recognizing hire purchase interest income when the contract receivables are overdue for more than 3 installment periods except where there is an indication of debtors' inability to repay, then the income recognition is ceased immediately.

3.17 Employee benefits

Short-term employee benefits

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

Management benefit expenses represent benefit expenses that management obtained from the Company such as compensation paid in cash and other benefits as stocks or other privileges, including employee stocks option plan or any incentive, etc.

Warrants granted to directors and employees of the Company and subsidiaries are recognised when they are exercised. When such warrants are granted, no compensation cost is recognised in the statement of comprehensive income. When the warrants are exercised the proceeds received, net of any transaction costs, are credited to share capital.

Post-employment benefits

Defined contribution plans

The Company and subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

The defined benefits liability comprises the present value of the defined benefit obligation and actuarial gains (losses).

Actuarial gains and losses arising from post-employment benefits are recognised immediately in statement of comprehensive income.

3.18 Income tax

The income tax expense recognized in profit or loss for the year comprises deferred income taxes and current income tax not recognized in other comprehensive income or directly in equity.

Current income tax

Current income tax is the expected tax payable or claimable on the taxable profit or loss for the year, which is different from profit or loss in the financial statements, using income tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years.

Deferred income tax

Deferred income taxes are calculated using the liability method on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred income taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

3.19 Foreign currency translation

The Company 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 statement of financial position 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 comprehensive income.

3.20 Financial instruments

Financial assets in the statement of financial position include cash and bank balances, investments and trade accounts receivable.

Financial liabilities in the statement of financial position include trade accounts payable, financial leases and borrowings.

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

3.21 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.

3.22 Dividend payment

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

3.23 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.

3.24 Basic earnings per share

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

3.25 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 assets, liabilities, revenues, expenses, and disclosure of contingent assets and liabilities. The actual result may differ from those estimates.

3.26 Provisions for liabilities and expenses, and contingent assets

The Company and subsidiaries recognize provisions for liabilities and expenses in the financial statements when the Company and subsidiaries 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

4.1.1 Impairment of receivables

The Company sets allowances for doubtful accounts equal to the estimated collection losses that may incur in the collection of receivables. The estimated losses are based on uncertainty in the collection and the consideration of the management.

4.1.2 Allowance for obsolete, slow-moving and defective inventories

The Company estimates allowances 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 Impairment of investments

The Company and subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their costs or when other objective evidence of impairment exists. The determination of what is “significant” or “prolong” requires management judgment.

4.1.4 Buildings and equipment and computer software

Management regularly determines the estimated useful lives and residual values of 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 if asset is no longer in used.

4.1.5 Leases

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

4.1.6 Impairment of assets

The Company and subsidiaries consider allowances for impairment of assets when there is an indication that an asset may be impaired. When there has been a significant decline in the fair value of assets, the management will determine the estimated receivable amounts.

4.1.7 Estimated collection cash flows from Investment in accounts receivable

The subsidiary company estimates future cash collection from investments in accounts receivable based on quality, type, aging of receivables and historical information of debt collection in the past. The total estimated future cash collection shall not exceed anticipated initial cash in flows which management had expected since bidding. The subsidiary company assesses the periods of collection of investments in accounts receivable to be within 4 -5 years.

4.1.8 Deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deductible temporary differences can be utilised. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4.1.9 Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality tables for the country. Actual post-retirement costs may ultimately differ from these estimates.

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 adjust policy for distribution of dividend to shareholders, or issue new shares or sell assets to reduce debts.

5. CASH AND CASH EQUIVALENTS

The outstanding balances as at 31 December 2013 and 2012 are as follows :

			(Unit : Baht)	
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Cash on hand	21,000	15,000	-	-
Undeposited collection from sales	36,280,231	16,446,882	33,306,458	16,446,882
Bank deposits - current accounts	151,312,254	87,510,090	129,918,971	72,280,964
Bank deposits - saving accounts	11,247,622	9,918,694	4,757,143	8,867,662
Total	198,861,107	113,890,666	167,982,572	97,595,508

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

6. TRADE ACCOUNTS RECEIVABLE – GENERAL CUSTOMERS

The aged balances of accounts receivable as at 31 December 2013 and 2012 are as follows :

Ages of receivables			(Unit : Baht)	
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Not yet due	193,474,122	213,491,052	182,724,633	208,954,853
Past due				
Less than 3 months	74,470,374	58,055,160	70,161,147	42,512,610
3 - 6 months	3,722,838	629,475	3,698,655	51,911
6 - 12 months	6,818,344	666,953	6,700,411	350,184
Over 12 months	1,944,865	1,586,385	1,944,865	1,586,386
Total	280,430,543	274,429,025	265,229,711	253,458,944
Less : Allowance for doubtful accounts	(10,444,390)	(9,854,817)	(10,361,693)	(9,854,817)
Net	269,986,153	264,574,208	254,868,018	243,604,127

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

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Trade accounts receivable from sales	254,051,411	229,970,063	254,051,411	229,970,063
Trade accounts receivable from sales under hire purchase agreements	11,002,959	22,318,266	11,002,959	22,318,266
Trade accounts receivable from rental and services	4,129,855	13,067,502	175,341	1,170,615
Trade accounts receivable from debt collection services	11,246,318	9,073,194	-	-
Total	280,430,543	274,429,025	265,229,711	253,458,944
Less : Allowance for doubtful accounts	(10,444,390)	(9,854,817)	(10,361,693)	(9,854,817)
Trade accounts receivable - net	269,986,153	264,574,208	254,868,018	243,604,127

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

7. INVENTORIES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Inventories	1,269,530,218	913,223,763	1,269,530,218	913,195,105
Less : Allowance for obsolete inventories	(16,511,214)	(11,687,699)	(16,511,214)	(11,687,699)
Inventories – net	1,253,019,004	901,536,064	1,253,019,004	901,507,406

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

	(Unit : Baht)
Balance as at 1 January 2013	11,687,699
Add : Additional provision for obsolete inventories	16,511,214
Less : Reversal of allowance for obsolete inventories	(11,687,699)
Balance as at 31 December 2013	16,511,214

8. ACCRUED INCOME

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Accrued income from sales and services	41,918,154	48,073,419	30,700,085	39,212,732
Accrued subsidy income on goods purchases	248,491,569	179,083,717	248,491,569	179,083,717
Accrued promotion income	91,997,015	50,674,950	91,997,015	50,348,700
Others	840,878	13,008	-	11,345
Total	383,247,616	277,845,094	371,188,669	268,656,494

Accrued subsidy income on goods purchases and accrued promotion income are recognized after the acknowledgement for payment by suppliers.

9. ADVANCE PAYMENT FOR PURCHASING GOODS

Advance payment for purchasing goods represent 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. HIRE PURCHASES RECEIVABLE

As at 31 December 2013 and 2012, the subsidiaries had receivables for hire purchases financing services totalling Baht 89.74 million and Baht 110.52 million, respectively, covering the periods of 1 - 6 years. The interest rates are fixed under hire purchase agreements. Hire purchase receivables are stated at outstanding balances net of unearned financial income as follow:

	(Unit : Baht)					
	CONSOLIDATED F/S					
	Due within one year		Due over one year but not over five years		Due over five years	
	2013	2012	2013	2012	2013	2012
Hire purchases receivable	34,766,863	31,007,854	76,789,143	100,928,662	56,855	8,511,790
Less : Deferred financial income	(10,252,295)	(10,785,952)	(11,624,415)	(18,866,925)	(968)	(275,902)
Total	24,514,568	20,221,902	65,164,728	82,061,737	55,887	8,235,888
Less : Allowance for doubtful accounts	(6,320,737)	(1,763,108)	(10,305,330)	(483,783)	-	-
Net	18,193,831	18,458,794	54,859,398	81,577,954	55,887	8,235,888

Aged hire - purchases receivables and details of allowance for doubtful accounts are as follow :

(Unit : Baht)

CONSOLIDATED F/S					
2013					
Receivable under hire purchase	Number of agreements	Receivables net of unrealized interest	Receivables used for computation of allowance for doubtful accounts	% of allowance for doubtful accounts	Allowance for doubtful accounts
Current	113	28,995,621	3,761,087	1	37,611
Overdue for 1 period	46	13,402,768	1,937,167	1	19,372
Overdue for 2 - 3 periods	82	23,935,845	4,014,044	2	80,281
Overdue for 4 - 6 periods	20	5,513,193	905,207	20	181,041
Overdue for 7 - 12 periods	11	3,079,166	3,079,166	50	1,539,583
Overdue for over 12 periods	62	14,808,590	14,768,179	100	14,768,179
Total	334	89,735,183	28,464,850		16,626,067

(Unit : Baht)

CONSOLIDATED F/S					
2012					
Receivable under hire purchase	Number of agreements	Receivable net of unrealized interest	Receivable used for computation of allowance for doubtful accounts	% of allowance for doubtful accounts	Allowance for doubtful accounts
Current	220	67,485,149	3,615,091	1	36,151
Overdue for 1 period	69	25,472,199	3,582,763	1	35,828
Overdue for 2 - 3 periods	38	12,640,988	2,137,364	2	42,747
Overdue for 4 - 6 periods	5	1,988,088	345,407	20	69,081
Overdue for 7 - 12 periods	5	1,708,081	1,687,679	50	843,840
Overdue for over 12 periods	5	1,225,021	1,219,244	100	1,219,244
Total	342	110,519,526	12,587,548		2,246,891

The subsidiary companies provide allowances for doubtful accounts in accordance with the guidance of the Thai Hire - Purchase Association, whereby the allowances for doubtful accounts are based on receivable aging report which is calculated from receivable under hire purchase agreements deducted by unearned interest income and collaterals. The collaterals are calculated from the cash value as at agreement date, at the rate of 15% - 75% by considering the probability of collection from debtors and selling of collaterals. However, the above basis of allowance policy does not comply with the accounting guideline for the consumer finance business promulgated by of the Federation of Accounting Profession (FAP) with the approval of the Office of the Securities and Exchange Commission. The subsidiary companies have a policy to set up allowances based on consideration of the current status of receivables and their ability to make payments. The management believes that the companies have set up allowances for doubtful accounts adequately. As at 31 December 2013 and 2012, the recorded allowance for doubtful accounts are less than the amount computed under FAP guideline of Baht 6.85 million and Baht 2.64 million, respectively.

11. OTHER CURRENT ASSETS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Other receivables	77,671,473	29,097,465	66,174,895	17,844,066
Cash card	28,792,599	-	28,792,599	-
Prepaid expenses	34,057,759	14,064,685	26,900,768	9,779,322
Undue input vat	10,799,067	2,490,932	1,763,369	1,965,434
Others	31,290,029	38,059,716	22,037,902	32,156,171
Total	182,610,927	83,712,798	145,669,533	61,744,993

12. INVESTMENTS IN ACCOUNTS RECEIVABLE

The investments in accounts receivable represent the subsidiary company's investments in bidding of non-performing receivables of financial institutions 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. Investments in accounts receivable is carried at purchase cost less allowance for impairment (if any). The subsidiary company recognized loss on impairment of investment when they anticipated discounted cash flows to present value are lower than book values.

The subsidiary company recognizes revenues from investments in accounts receivable by using effective interest rates (expected return on debts collection) calculated with outstanding investments in accounts receivable. If actual cash flows from collection exceed calculated revenues, the remaining cash will be deducted from the value of investments in accounts receivable for each period. If the values of investments in receivable have been fully amortized, the subsidiary company will recognize such cash flows from collection as revenues.

The subsidiary company has estimated future cash collection from investments in accounts receivable based on quality, type, ages of receivables and historical information of debt collection in the past. The total estimated future cash collection shall not exceed anticipated initial cash in flows which management had expected since the bidding. The subsidiary company has assessed the period of collection of investments in accounts receivable to be 4 -5 years.

The investments portfolios classified by group of debtors as at 31 December 2013 and 2012 are as follow :

(Unit : Baht)

	CONSOLIDATED F/S			
	2013		2012	
	No. of contracts	Amount	No. of contracts	Amount
Accounts receivable - Hire purchases	493,155	458,821,145	249,044	208,677,136
Accounts receivable - Personal loans	918,508	273,993,294	857,740	340,417,916
Total	1,411,663	732,814,439	1,106,784	549,095,052
<u>Less</u> : Allowance for doubtful accounts		(8,905,620)		(1,279,213)
Net		723,908,819		547,815,839

During the year, movements in investments in accounts receivable are as follow :

(Unit : Baht)

Balance as at 1 January 2013	549,095,052
Add : Purchases	439,226,351
Less : Portion decreased from cash collection during the period	(255,506,964)
Balance as at 31 December 2013	732,814,439

The subsidiary company expected to collect cash from debtors of Baht 351.93 million within one year.

13. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

As at 31 December 2013 and 2012, the Company's and its subsidiaries' fixed deposits totalling Baht 2.65 million and Baht 3.43 million, respectively, have been placed with banks as collaterals for bank overdraft facilities, and bank guarantees issued by banks on behalf of the subsidiaries. The Subsidiary's fixed deposit totalling Baht 1 million has been maintain as security deposit for operation in insurance brokerage in accordance with Non-Life Insurance Act. B.E.2535. These fixed deposits bear interest rates of 0.50 – 3.30 percent per annum.

14. INVESTMENTS IN RELATED COMPANIES

14.1 Investments in subsidiary company

(Unit : Baht)

		SEPARATE F/S					
		Paid - up capital		Percentage of Shareholding		Cost	
		2013	2012	2013	2012	2013	2012
Subsidiary companies							
JMT Network Services Public Co., Ltd.	Debt collection business, non-performing receivables management, and leasing and factoring business	300,000,000	300,000,000	75.00	75.00	224,999,800	224,999,800
JAS Assets Co., Ltd.	Property development	50,000,000	50,000,000	99.99	99.99	49,999,970	49,999,970
Jay Mart Holding Co., Ltd.	Holding Company	23,000,000	-	99.99	-	22,999,970	-
Total						297,999,740	274,999,770

14.2 Investments in associated company

(Unit : Baht)

		SEPARATE F/S					
		Paid - up capital		Percentage of Shareholding		Cost	
Nature of Business		2013	2012	2013	2012	2013	2012
<u>Associated companies</u>							
J&P (Thailand) Company Limited	Trading of mobile phone, appliances, and related accessories business	51,700,000	-	40.00	-	21,600,000	-

On 29 May 2013, the subsidiary company invested in an associated company, J & P (Thailand) Co., Ltd., to do trading of mobile phone, appliances, and related accessories business.

Significant financial information of the associate in the aggregate amounts are summarized as follows:

(Unit : Million Baht)

	For the years ended 31 December							
	Assets		Liabilities		Revenues		Net income (loss)	
	2013	2012	2013	2012	2013	2012	2013	2012
J & P (Thailand) Co., Ltd.	51.83	-	0.12	-	-	-	-	-
Total	<u>51.83</u>	<u>-</u>	<u>0.12</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

15. INVESTMENT PROPERTIES

The subsidiary presents this asset at fair value based on the appraisal of an independent appraiser, using market approach.

During the period, movements in investment property are as follow:

	(Unit : Baht)
	CONSOLIDATED F/S
Net book value as at 1 January 2013	212,214,471
Increase	23,158,462
Net book value as at 31 December 2013	235,372,933

The subsidiary company capitalized interest as part of costs of project. This represents borrowing cost on loan obtained specifically for construction project.

The subsidiary company has pledged its land and contingent building on land for its credit line with a commercial bank as collateral as described in Note 22.

16. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED F/S				(Unit : Baht)
	2012	Increase	Decrease	Transfer in (out)	2013
Cost					
Land					
- Cost	83,754,320	-	-	-	83,754,320
- Increment appraisal	30,535,680	-	-	-	30,535,680
Building and building improvement	241,890,266	21,682,724	-	(1,049,739)	262,523,251
Office furniture	170,525,805	127,062,082	28,176,493	6,045,619	275,457,013
Office equipment	191,804,407	58,255,315	32,442,037	2,561,739	220,179,424
Tools and equipment	513,246	251,880	7,300	-	757,826
Vehicles	40,329,935	2,791,785	928,131	-	42,193,589
Assets under installation	8,928,669	12,680,860	-	(7,557,619)	14,051,910
Building under construction	-	15,809,348	-	-	15,809,348
Total	768,282,328	238,533,994	61,553,961	-	945,262,361
Less : accumulated depreciation					
Building and building improvement	3,075,546	13,142,429	-	-	16,217,975
Office furniture	51,908,599	32,985,196	24,438,293	-	60,455,502
Office equipment	97,880,431	33,691,334	30,165,633	-	101,406,132
Tools and equipment	335,742	79,334	7,298	-	407,778
Vehicles	25,363,657	4,448,088	895,325	-	28,916,420
Total	178,563,975	84,346,381	55,506,549	-	207,403,807
Property, plant and equipment – net	589,718,353				737,858,554
Depreciation for the year	41,059,053				84,346,381

(Unit : Baht)

SEPARATE F/S					
	2012	Increase	Decrease	Transfer in (out)	2013
Cost					
Land					
- Cost	83,754,320	-	-	-	83,754,320
- Increment appraisal	30,535,680	-	-	-	30,535,680
Building and building improvement	241,890,266	21,682,724	-	(1,049,739)	262,523,251
Office furniture	136,415,208	115,740,837	28,176,493	6,045,619	230,025,171
Office equipment	156,442,748	46,135,177	24,186,102	2,561,739	180,953,562
Tools and equipment	492,718	19,900	7,300	-	505,318
Vehicles	32,624,332	116,785	928,131	-	31,812,986
Assets under installation	8,928,669	12,680,860	-	(7,557,619)	14,051,910
Building under construction	-	13,503,969	-	-	13,503,969
Total	691,083,941	209,880,252	53,298,026	-	847,666,167
Less : accumulated depreciation					
Building and building improvement	3,075,546	13,142,429	-	-	16,217,975
Office furniture	49,989,958	28,323,216	24,438,293	-	53,874,881
Office equipment	75,761,964	27,793,358	22,099,856	-	81,455,466
Tools and equipment	328,038	40,814	7,298	-	361,554
Vehicles	22,224,015	2,927,873	895,325	-	24,256,563
Total	151,379,521	72,227,690	47,440,772	-	176,166,439
Property, plant and equipment – net	539,704,420				671,499,728
Depreciation for the year	35,001,772				72,227,690

As at 31 December 2013 and 2012, a portion of the Company's and its subsidiaries' equipment had been fully depreciated, but are remained in active use. The gross carrying amounts of such assets before accumulated depreciation are totalling Baht 95.8 million and Baht 111.8 million, respectively, (the Company's portions : Baht 76.4 million and Baht 92.5 million, respectively).

17. COMPUTER SOFTWARES

(Unit : Baht)

	CONSOLIDATED F/S			
	2012	Increase	Decrease	2013
Costs	70,173,386	16,940,003	(28,845,877)	58,267,512
Less : Accumulated amortization	(43,727,671)	(6,578,335)	28,822,193	(21,483,813)
Computer softwares – net	26,445,715			36,783,699
Amortization	3,863,493			(6,578,335)

(Unit : Baht)

	SEPARATE F/S			
	2012	Increase	Decrease	2013
Costs	50,537,584	9,103,050	(19,547,670)	40,092,964
Less : Accumulated amortization	(30,818,793)	(3,576,491)	19,523,990	(14,871,294)
Computer softwares – net	19,718,791			25,221,670
Amortization	2,815,723			3,576,491

18. COSTS OF LEASE RIGHTS AND PREPAID RENT

(Unit : Baht)

	CONSOLIDATED AND SEPARATE F/S			
	2012	Increase	Decrease	2013
Costs of lease rights	144,855,654	32,035,990	-	176,891,644
Less : Accumulated amortization	(31,270,240)	(10,753,354)	-	(42,023,594)
Costs of lease rights – net	113,585,414	21,282,636	-	134,868,050

As at 31 December 2013 and 2012, the costs of lease rights and prepayment and the outstanding balances consisted of :

(Unit : Baht)

Periods	Lease and Rental Amortisation per month	Costs of Lease Rights and Prepaid Rent	Outstanding Costs of Lease Right and Prepayments after amortisation	
			2013	2012
26 years	45,641	14,240,000	6,889,550	7,437,243
25 years	83,500	25,050,000	17,034,000	18,036,000
25 years	15,240	4,571,843	1,604,279	1,787,152
23 years	17,174	4,740,000	2,303,657	2,509,744
21 years	17,857	4,500,000	1,593,866	1,807,304
20 years	8,125	1,949,900	1,267,435	1,364,930
18 years	34,722	7,500,000	2,538,023	2,945,263
12 years	235,182	31,514,437	26,857,055	29,679,244
11 years	203,066	25,789,474	21,009,084	23,445,884
10 years	213,675	25,000,000	22,008,547	24,572,650
9 years	308,038	32,035,991	31,762,554	-
Total			134,868,050	113,585,414

19. OTHER NON – CURRENT ASSETS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Prepaid construction costs	33,750,000	-	-	-
Deposits	261,097,982	146,659,561	165,606,648	70,262,165
Total	294,847,982	146,659,561	165,606,648	70,262,165

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

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Promissory notes from financial institutions	1,728,310,331	1,071,279,620	1,535,970,331	987,279,620

Above promissory notes payable bear interest at the rates of 3.03 – 3.60 percent and 3.55 – 4.00 percent per annum during the periods ended 31 December 2013 and 2012, respectively.

As at 31 December 2013 and 2012, the Company has credit facilities covering letters of credit, forward exchange contracts and other credits totalling Baht 2,665.3 million and Baht 2,106.8 million, respectively, with interest rates ranging from 3.03 – 3.60 percent and 3.55 - 4.30 percent per annum, respectively.

As at 31 December 2013 and 2012, the Company and its subsidiaries have bank overdraft facilities totalling Baht 31.0 million (the Company's portion is Baht 24.0 million).

Short - term loans from financial institutions are collateralized mostly by the pledges of fixed deposits of the Company and its subsidiaries. During the years 2013 and 2012, the interest rates on bank overdraft are 7.38 – 7.90 percent per annum and 4.00 – 7.75 percent per annum, respectively.

21. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

	(Unit : Baht)	
	CONSOLIDATED F/S	
	2013	2012
Liabilities under finance lease and hire - purchase agreements		
Due within one year	436,220	473,325
Due over 1 year but not over 5 years	410,984	847,205
Total	847,204	1,320,530
Less : Current portion	(436,220)	(473,325)
Balance due after one year	410,984	847,205

The subsidiary company entered into finance lease agreements for the leases of vehicle for use in its operations, with repayment schedules of 36 - 48 months.

22. LONG - TERM LOAN

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Balance as at 31 December	341,624,687	221,587,519	221,624,687	221,587,519
Less : Current portion	(33,650,482)	(25,408,425)	(25,646,577)	(25,408,425)
Long - term loan - net	307,974,205	196,179,094	195,978,110	196,179,094

The Company has loan agreements with a local bank for credit facility of Baht 225 million. This loan bears interest per annum at MLR – 2.375%, with grace period for principal repayment for one year and six months (with monthly payment of interest) from March 2011 to March 2021.

The subsidiary has loan agreement with a local bank for a construction project amounting to Baht 270 million for which Baht 120 million has been drawdown during this quarter. This loan bears interest per annum at MLR – 2.375%, with grace period for principal repayment for one year (with monthly payment of interest) and principal and interest repayment of Baht 3.85 million per month for remaining 84 periods.

Such loan from bank is collateralized by the mortgage of the Company's land with carrying value as at 31 December 2013 of Baht 83.75 million.

The long – term loan is collateralized by its land and contingent building on land, and the guarantee of the company as described in Note 15.

The movements in long - term loan are as follow :

	(Unit : Baht)	
	CONSOLIDATED F/S	SEPARATE F/S
Balance as at 1 January 2013	221,587,519	221,587,519
Add : Additional borrowing	144,860,000	24,860,000
Less : Repayment during the period	(24,822,832)	(24,822,832)
Balance as at 31 December 2013	341,624,687	221,624,687

23. EMPLOYEE BENEFIT OBLIGATION

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Balance as at 1 January	19,439,163	16,153,820	16,270,552	14,280,152
Employee benefit expenses				
Current service costs	1,428,464	1,332,066	962,596	1,060,411
Interest on obligation	869,397	791,535	716,899	687,036
Loss from actuarial assessment	-	2,562,042	-	2,549,804
Decrease in obligation from payment	(2,690,000)	(1,400,300)	(2,690,000)	(1,400,300)
Transfer employee to subsidiary company	-	-	-	(906,551)
Balance as at 31 December	19,047,024	19,439,163	15,260,047	16,270,552

As at 31 December 2012, the Company and its subsidiaries have actuarial losses based on employee wages and others totalling Baht 2.56 million (the Company loss : Baht 2.55 million), which are recognized as other comprehensive income in statement of changes in shareholder's equity.

Actuarial gains or losses occurred from the change in the salaries and wages and other factors for the computation of post-employee benefits are presented under shareholders' equity.

Principal actuarial assumptions of the Company estimated by using discount rate of 4.07 – 4.27 percent per annum (the Company 4.16 percent per annum) and normal retirement age of 55 years.

24. ACCRUED EXPENSES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Accrued services expenses	2,622,345	1,385,877	2,622,345	740,696
Accrued rental and utilities expenses	5,660,984	4,090,055	5,240,869	3,446,011
Accrued property tax	2,953,372	2,365,092	2,718,372	2,248,159
Accrued sale promotion expenses	3,817,477	6,221,144	3,817,477	6,221,144
Payables for equipment and supplies	20,049,958	14,751,179	17,317,826	14,216,816
Accrued commission	9,709,243	9,953,641	4,500,000	4,000,000
Others	23,192,857	18,096,964	12,369,205	13,721,165
Total	68,006,236	56,863,952	48,586,094	44,593,991

25. OTHER NON - CURRENT LIABILITIES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Tenant rental deposits	93,019,617	74,768,881	2,988,348	4,123,027
Deposit from employees	758,750	239,100	758,750	239,100
Others	1,458,444	3,700	1,458,444	3,700
Total	95,236,811	75,011,681	5,205,542	4,365,827

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

26. SHARE CAPITAL AND PREMIUM ON SHARE

	CONSOLIDATED AND SEPARATE F/S			
	Number of	Common	Share	Total
	common shares (In Thousand)	shares (Thousand Baht)	Premium (Thousand Baht)	
Balance as at 1 January 2013	415,082,429	415,082,429	489,481,908	904,564,337
Warrants converted to common shares	1,700,429	1,700,429	3,400,858	5,101,287
ESOP	2,790,750	2,790,750	55,136,975	57,927,725
Balance as at 31 December 2013	419,573,608	419,573,608	548,019,741	967,593,349

27. WARRANTS

The Company had issued warrants to subscribe common shares to existing shareholders, new shareholders, directors and employees of the Company, which have been approved by shareholders' meeting on 8 April 2011 as follow :

1. Issue the share capital warrants No 1 of 69,000,000 units, with exercise price of Baht 3 per share. The terms of the warrants do not exceed 1 year and 10 months from the date of issuance and maturity date is on 30 December 2013.
2. Issue the ESOP schemes for the directors and employees of the Company for 6,000,000 units, with exercise price of Baht 1 per share. The warrants are for specific persons, non-transferable, and with no offering price. The terms of the warrants do not exceed 2 years and 1 month from the date of issuance and maturity date is on 30 December 2013. With the condition that such directors and employees will be in the position of the Company's and subsidiaries' director, management and employee until the last working day of the year 2013.

28. 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.

29. Deferred income tax

Deferred income tax asset and liability are as follows :

	Consolidated F/S		Separate F/S	
	2013	2012	2013	2012
		(restated)		(restated)
Deferred income tax asset	9,838,637	7,069,733	6,106,526	5,894,889
Deferred income tax liability	(14,887,136)	(14,887,136)	(6,107,136)	(6,107,136)
Deferred income tax - net	(5,048,499)	(7,817,403)	(610)	(212,247)

The movements in deferred income tax asset and liability are as follows :

(Unit : Baht)

	Consolidated F/S			
		Recognised as income (expense)		
	1 January 2013	Statement of income	Shareholders' equity	31 December 2013
Deferred income tax asset from :				
From allowance for doubtful accounts of trade accounts receivable	1,615,487	40,154	-	1,655,641
From allowance for obsolete inventories	1,025,292	390,123	-	1,415,415
From allowance for doubtful accounts from hire purchases receivable	302,925	896,483	-	1,199,408
From allowance for doubtful accounts from investments in accounts receivable	255,842	1,525,281	-	1,781,123
From reserve for long-term employee benefits	3,870,187	(83,137)	-	3,787,050
Total	7,069,733	2,768,904	-	9,838,637
Deferred income tax liabilities from:				
From gain from fair value adjustment of investment properties	(8,780,000)	-	-	(8,780,000)
From surplus on revaluation of assets	(6,107,136)	-	-	(6,107,136)
Total	(14,887,136)	-	-	(14,887,136)

(Unit : Baht)

	Separate F/S		
	Recognised as income (expense)		31 December 2013
	1 January 2013	Statement of income	Shareholders' equity
Deferred income tax asset from :			
From allowance for doubtful accounts of trade accounts receivable	1,615,487	23,615	-
From allowance for obsolete inventories	1,025,292	390,123	-
From allowance for doubtful accounts from hire purchases receivable	-	-	-
From allowance for doubtful accounts from investments in accounts receivable	-	-	-
From reserve for long-term employee benefits	3,254,110	(202,101)	-
Total	5,894,889	211,637	-
Deferred income tax liability from :			
From gain from fair value adjustment of investment properties	-	-	-
From surplus on revaluation of assets	(6,107,136)	-	-
Total	(6,107,136)	-	-

(Unit : Baht)

	Consolidated F/S		
	Recognised as income (expense)		31 December 2012
	1 January 2012	Statement of income	Shareholders' equity
Deferred income tax asset from :			
From allowance for doubtful accounts of trade accounts receivable	127,505	1,487,982	-
From allowance for obsolete inventories	2,092,762	(1,067,470)	-
From allowance for doubtful accounts from hire purchases receivable	4,421	298,504	-
From allowance for doubtful accounts from investments in accounts receivable	272,180	(16,338)	-
From reserve for long-term employee benefits	3,230,764	128,313	511,110
Total	5,727,632	830,991	511,110
Deferred income tax liabilities from:			
From gain from fair value adjustment of investment properties	-	(8,780,000)	-
From surplus on revaluation of assets	-	-	(6,107,136)
Total	-	(8,780,000)	(6,107,136)

(Unit : Baht)

	Separate F/S		
	Recognised as income (expense)		31 December 2012
	1 January 2012	Statement of income	Shareholders' equity
Deferred income tax asset from :			
From allowance for doubtful accounts of trade accounts receivable	127,505	1,487,982	-
From allowance for obsolete inventories	2,092,762	(1,067,470)	-
From allowance for doubtful accounts from hire purchases receivable	-	-	-
From allowance for doubtful accounts from investments in accounts receivable	-	-	-
From reserve for long-term employee benefits	2,856,030	(111,881)	509,961
Total	5,076,297	308,631	5,894,889
Deferred income tax liability from :			
From gain from fair value adjustment of investment properties	-	-	-
From surplus on revaluation of assets	-	-	(6,107,136)
Total	-	-	(6,107,136)

Income tax expenses for the years ended 31 December 2013 and 2012 are as follows :

	Consolidated F/S		Separate F/S	
	2013	2012	2013	2012
Accounting profit before income tax	570.34	510.51	439.43	311.25
Tax effect of income and expenses that are not taxable income or not deductible	(105.92)	(122.59)	(60.12)	(53.87)
Loss of subsidiary companies per tax base	2.61	2.81	-	-
Income per tax base	467.03	390.73	379.31	257.38
<i>Tax rate (Percentage)</i>	20	23	20	23
Current income tax recognized in profit or loss	93.41	89.92	75.86	59.25
Deferred income tax from				
Movement in temporary differences	(2.77)	7.95	(0.21)	(0.31)
Total	90.64	97.87	75.65	58.94
Income tax recognized in other comprehensive income	-	(5.60)	-	(5.60)
From surplus on revaluation of assets	-	30.53	-	30.53
From Actuarial loss	-	(2.55)	-	(2.55)
Total	-	22.38	-	22.38

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30. APPROPRIATION OF NET INCOME

At the Board of Directors' meeting on 13 August 2013, the directors passed a resolution to appropriate interim dividend payment from the operating results during the period at Baht 0.31 per share for 417,454,229 shares totalling Baht 129.41 million.

At the ordinary shareholders meeting of the Company on 10 April 2013, the shareholders passed a resolution to approve the dividend payment from net income after tax for the year 2012 at Baht 0.56 per share. The Company has paid interim dividend at Baht 0.22 per share for 401,739,223 shares. The remaining dividend is Baht 0.34 per share for 415,778,829 shares for a total amount of Baht 141.36 million.

At the Board of Directors' meeting on 10 August 2012, the directors passed a resolution to appropriate interim dividend payment from the operating results during the period at Baht 0.22 per share for 401,739,223 shares totalling Baht 88.38 million.

At the ordinary shareholders meeting held on 5 April 2012, the shareholders passed a resolution to appropriate cash dividends from net income, after deduction of tax, for the year 2011 at Baht 0.40 per share. The Company has paid interim dividend at Baht 0.16 per share. The remaining dividend is Baht 0.24 per share for 300,000,000 shares totaling amount of Baht 72.00 million.

31. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of common shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the weighted average number of outstanding common shares are assumed to be converted to common shares that dilutes the total number of shares.

A calculation is done to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the year) based on the outstanding warrants to determine the number of potential common shares to be additionally issued. The potential shares are added to the outstanding ordinary shares but no adjustment is made to net profit.

32. PROVIDENT FUND

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 staff 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 2013 and 2012, the Company and subsidiary contributed a total of Baht 2.6 million and Baht 2.1 million (the Company's portion : Baht 1.9 million and Baht 1.8 million), respectively, to the fund.

33. RELATED PARTY TRANSACTIONS

The Company had 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.

During the 3rd quarter, the Company changed its management. Therefore, AEON Thana Sinsap (Thailand) Public Company Limited is no longer considered related party.

Significant transactions with related parties are summarised below :

		(Unit: Million Baht)			
		CONSOLIDATED F/S		SEPARATE F/S	
		For the years ended 31 December			
Transaction with related parties	Pricing policy	2013	2012	2013	2012
<u>Sale income</u>	Market price				
Subsidiary company		-	-	0.6	0.5
Related company		-	0.1	-	0.1
		<u>-</u>	<u>0.1</u>	<u>0.6</u>	<u>0.6</u>
<u>Debt collection and messenger services income</u>	Market price				
Related company		-	23.1	-	-
		<u>-</u>	<u>23.1</u>	<u>-</u>	<u>-</u>
<u>Rental income</u>					
Subsidiary company	Mutually agreed rate	-	-	15.7	3.8
		<u>-</u>	<u>-</u>	<u>15.7</u>	<u>3.8</u>
<u>Sale promotion income</u>	As agreed by suppliers				
Subsidiary company		-	-	-	0.1
Related company		-	9.7	-	9.7
		<u>-</u>	<u>9.7</u>	<u>-</u>	<u>9.8</u>
<u>Dividend income</u>	Based on net profit				
Subsidiary company		-	-	60.7	68.2
		<u>-</u>	<u>-</u>	<u>60.7</u>	<u>68.2</u>
<u>Management fee income</u>	Baht 270,000 per month (Jan-Apr 2012)				
Subsidiary company		-	-	-	1.1
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1.1</u>
<u>Interest revenue</u>	Mutually agreed rate				
Subsidiary company		-	-	2.2	3.9

		(Unit: Million Baht)			
		CONSOLIDATED F/S		SEPARATE F/S	
		For the years ended 31 December			
Transaction with related parties	Pricing policy	2013	2012	2013	2012
<u>Office and land rental</u>	Mutually agreed rate				
Director		1.0	0.8	1.0	0.8
<u>Vehicle rental</u>	Mutually agreed rate				
Related Company		0.3	0.3	-	-

	(Unit: Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	For the years ended 31 December			
	2013	2012	2013	2012
<u>Key management personnel compensation</u>				
Short-term employee benefits	35,878,664	30,085,444	23,908,000	20,629,464
Post-employment benefits	907,422	791,404	688,164	660,635
Total	36,786,086	30,876,848	24,596,164	21,290,099

As at 31 December 2013 and 2012, the significant outstanding balances are separately presented in the statements of financial position as follows :

		(Unit : Baht)			
		CONSOLIDATED F/S		SEPARATE F/S	
		2013	2012	2013	2012
<u>Trade account receivable – related company</u>					
AEON Thanasinsub PCL		-	21,280,470	-	18,005,614
<u>Short – term loan to subsidiary company</u>					
JAS Assets Company Limited		-	-	48,000,000	151,000,000
<u>Other receivable – subsidiary companies</u>					
JAS Assets Company Limited		-	-	-	26,416
<u>Other payable – subsidiary companies</u>					
JMT Network Services Public Company Limited		-	-	559,903	39,779
JAS Assets Company Limited		-	-	1,429,318	920,737
		-	-	1,989,221	960,516
<u>Rental deposit from related company</u>					
AEON Thanasinsub PCL		-	804,528	-	804,528
<u>Rental deposits from subsidiary companies</u>					
JMT Network Services Public Company Limited		-	-	1,002,207	-
JAS Assets Company Limited		-	-	37,002	-
JMT Plus Company Limited		-	-	72,012	-
		-	-	1,111,221	-

The movements in loan to subsidiary company are as follows :

	(Unit : Baht)
Balance as at 1 January 2013	151,000,000
Add : Addition during the period	114,000,000
Less : Repayment during the period	(217,000,000)
Balance as at 31 December 2013	<u>48,000,000</u>

Loan to subsidiary company bears interest between 3.40 – 3.80 percent per annum with periods of principal repayments between 1 – 3 months.

34. 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 2013			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	11	66	150	227
Restricted deposits with financial institutions	-	3	-	3
Bank overdrafts and short - term loans				
from financial institutions	192	1,536	-	1,728

	(Unit : Million Baht)			
	CONSOLIDATED F/S			
	As at 31 December 2012			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	9	-	105	114
Restricted deposits with financial institutions	-	2	1	3
Bank overdrafts and short - term loans				
from financial institutions	-	987	84	1,071

(Unit : Million Baht)

SEPARATE F/S				
As at 31 December 2013				
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>	5	66	126	197
Cash and cash equivalents	-	-	-	-
Restricted deposits with financial institutions				
Bank overdrafts and short - term loans from financial institutions	-	1,536	-	1,536

(Unit : Million Baht)

SEPARATE F/S				
As at 31 December 2012				
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>	9	-	89	98
Cash and cash equivalents	-	2	-	2
Restricted deposits with financial institutions				
Bank overdrafts and short - term loans from financial institutions	-	987	-	987

Financial instruments as of 31 December 2013 and 2012 with fixed interest rates, and the periods of time from the statement of financial position date to their maturity dates are as follows :

(Unit : Million Baht)

CONSOLIDATED F/S					
As at 31 December 2013					
	At call	1 - 6 months	6 - 12 months	Total	Interest Rate
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	2	1	3	0.50%-3.30%
Bank overdrafts and short - term loans from financial institutions	-	1,728	-	1,728	3.03%-3.60%

(Unit : Million Baht)

CONSOLIDATED F/S					
As at 31 December 2012					
	At call	1 - 6 months	6 - 12 months	Total	Interest Rate
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	3	-	3	2.13%
Bank overdrafts and short - term loans from financial institutions	-	1,071	-	1,071	3.55% - 4.00%

(Unit : Million Baht)

	SEPARATE F/S				
	As at 31 December 2013				
	1 - 6	6 – 12		Interest	
At call	months	Months	Total	Rate	
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	-	-	-	
Bank overdrafts and short - term					
loans from financial institutions	-	1,536	-	1,536	
				3.03% - 3.38%	

(Unit : Million Baht)

	SEPARATE F/S				
	As at 31 December 2012				
	1 - 6	6 - 12			Interest
At call	months	months	Total		Rate
<u>Financial assets/ liabilities</u>					
Restricted deposits with financial institutions	-	2	-	2	2.13%
Bank overdrafts and short - term					
loans from financial institutions	-	987	-	987	3.55% - 3.85%

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

The Company's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts and short-term loans from financial institutions, short-term loans, finance lease payables and long-term borrowings. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

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.

35. COMMITMENTS

As at 31 December 2013, the Company and its subsidiaries had outstanding commitments as follows :

Commitments with related parties

- 35.1 The Company entered into a building space rental contract with a director for a warehouse rental with a monthly rental at market rate of Baht 100,000 for 3 years starting from 1 July 2013.

Commitments with third parties

- 35.2 The Company has outstanding commitments of approximately Baht 18.46 million (the Company portion : Baht 16.43 million) 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.
- 35.3 The Company has outstanding commitments in respect of service agreements which are payable in the future totaling approximately Baht 2.42 million.
- 35.4 The Company and its subsidiaries 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 :

	(Unit : Baht)	
Year	CONSOLIDATED F/S	SEPARATE F/S
Not over 1 year	440,175,422	189,764,159
Over 1 year but not over 5 years	387,675,287	199,361,449
Over 5 years	113,118,271	63,870,707
Total	940,968,980	452,996,315

- 35.5 The Company has commitments relating to building construction agreements with the several companies which are payable in the future totaling approximately Baht 5.3 million.
- 35.6 The Company has a commitments for the installation and implementation of working systems with other companies which are payable in the future totaling approximately Baht 6.0 million.
- 35.7 The Company has a commitment under land lease right from third party which has to be paid in the future approximately Baht 44.1 million.

36. EXPENSES BY NATURE

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2013	2012	2013	2012
Salaries, wages and other employee compensation	433,400,918	251,948,268	290,114,962	165,487,347
Depreciation	83,371,103	41,059,053	72,205,796	35,001,772
Amortization	18,285,075	11,126,453	14,329,846	10,078,683
Assets written-off	4,559,603	3,225,643	4,549,829	3,225,643
Allowance (reverse) for decline value of inventories	4,823,515	964,435	4,823,515	964,435
Inventories written-off	1,301,630	433,190	1,301,630	433,190
Promotion expenses	174,328,144	115,441,578	172,748,356	114,146,630
Rental expenses	426,370,961	344,246,962	196,593,147	180,092,138
Advertising expenses	18,278,303	8,069,892	17,915,175	8,049,093
Changes in finished goods	(356,335,113)	(396,481,249)	(356,335,114)	(396,452,591)
Purchases of finished goods	8,225,822,781	6,882,720,809	8,225,781,678	6,882,607,029

37. FINANCIAL INFORMATION BY SEGMENT

The Company's segmental financial information as presented in the consolidated financial statements for the years ended 31 December 2013 and 2012, are as follows :

(Unit : Million Baht)

	CONSOLIDATED F/S					
	For the years ended 31 December 2013					
	Trading	Debt	Rental			
	business	collection	business	Other	Elimination	Total
		business	business			
Revenues	8,966	363	363	-	(27)	9,665
Cost of sales and services	(7,874)	(196)	(264)	-	1	(8,333)
Gross profit	1,092	167	99	-	(26)	1,332
Sales promotion income						276
Other income						44
Interest income						10
Finance cost						(53)
Depreciation and amortization						(106)
Reverse for allowance for doubtful debt						(23)
Inventories written-off						(6)
Income before income tax						510
Trade accounts receivable - net	255	11	4	-	-	270
Buildings and equipment - net	671	23	44	-	-	738
Computer software - net	25	11	1	-	-	37
Lease rights – net	131	-	4	-	-	135
Investment property	-	-	235	-	-	235
Other assets	2,244	869	150	433	(462)	3,234
Total assets	3,326	914	438	433	(462)	4,649

(Unit : Million Baht)

	CONSOLIDATED F/S					
	For the years ended 31 December 2012					
	Debt					
	Trading business	collection business	Rental business	Other	Elimination	Total
Revenues	7,297	394	262	292	(85)	8,160
Cost of sales and services	(6,487)	(187)	(211)	-	1	(6,884)
Gross profit	810	207	51	292	(84)	1,276
Sales promotion income						142
Other income						21
Interest income						10
Finance cost						(40)
Depreciation and amortization						(55)
Reverse for allowance for doubtful debt						(11)
Inventories written-off						(1)
Income before income tax						442
Trade accounts receivable - net	243	9	13	-	-	265
Buildings and equipment - net	540	13	37	-	-	590
Computer software - net	19	6	1	-	-	26
Lease rights – net	110	-	4	-	-	114
Investment property	-	-	212	-	-	212
Other assets	1,624	711	86	284	(430)	2,275
Total assets	2,536	739	353	284	(430)	3,482

Major Customer

The Company has no major customer for external revenue.

38. EVENT AFTER THE REPORTING PERIOD

38.1 At the subsidiary's Board of Directors' meeting held on 20 February 2014, the Board passed a resolution to submit at the ordinary shareholders meeting for approval to pay dividend from its net income after tax for the year 2013 at Baht 0.19 per share for 300,000,000 shares. The Company has paid interim dividend at Baht 0.12 per share and remaining cash dividend will be paid at Baht 0.07 per share for a total amount of 21.00 million.

38.2 At the meeting of the Company's Board of Directors on 20 February 2014, the Board passed a resolution to submit at the ordinary shareholders meeting for approval to pay dividend from its net income after tax for the year 2013 at Baht 0.31 per share for 417,454,229 shares and remaining dividend will be paid at Baht 0.40 per share for 419,573,608 shares into 2 categories as follows:

38.2.1 Stock dividend at the ratio of 4 existing share to 1 stock dividend or at Baht 0.25 per share, totalling Baht 104,893,402.

38.2.2 Cash dividend at the rate of Baht 0.15 per share totalling Baht 62,936,041.

39. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 20 February 2014.