

# Contents

Financial Highlights.....	1
Message from the Board of Directors.....	2
Directors and Management Biography.....	3
General Information.....	7
Business Operations.....	10
Risk Factors.....	17
Shareholders Structure.....	21
Organizational Structure.....	22
Good Corporate Governance Report.....	28
Dividend Policy.....	33
Anti-Corruption Policy.....	34
Related Transactions.....	38
Financial Statements.....	40
Corporate Social Responsibility of the Company.....	116

## Financial Highlights

Sources : The Company Only

Unit : Million Baht

	2013	2014	2015
<b>Financial Performance</b>			
Total Revenues	9,370.4	8,422.3	9,303.4
Gross Profit	1,112.7	1,033.3	998.7
Net Profit	363.8	232.5	627.4
Total Assets	3,629.2	3,567.9	4,859.9
Total Liabilities	2,194.2	2,084.0	2,849.0
Shareholders' Equity	1,435.0	1,483.9	2,010.9
<b>Key Financial Ratio</b>			
Gross Profit Margin	3.88%	2.76%	6.74%
Return on Equity (ROE)	25.35%	15.67%	31.20%
Return on Assets (ROA)	10.02%	6.52%	12.91%
Earning per share (EPS)	0.87	0.47	1.20

Sources : Consolidated F/S

Unit : Million Baht

	2013	2014	2015
<b>Financial Performance</b>			
Total Revenues	9,995.2	9,270.6	9,957.3
Gross Profit	1,331.5	1,356.7	1,454.3
Net Profit	400.2	328.7	322.6
Total Assets	4,645.7	6,168.7	9,350.0
Total Liabilities	2,733.2	4,089.2	5,571.7
Shareholders' Equity	1,916.1	2,077.9	3,778.4
<b>Key Financial Ratio</b>			
Gross Profit Margin	4.00%	3.55%	3.24%
Return on Equity (ROE)	21.89%	15.82%	8.54%
Return on Assets (ROA)	14.66%	8.04%	5.79%
Earning per share (EPS)	0.96	0.67	0.62

**Note :** ROE: Return On Equity

ROA: Return On Assets

EPS: Earnings Per Share

## Message from the Board of Directors

Dear Shareholder

In 2015, the overall economy of Thailand has been affected by diminished purchasing power and difficult business growth. JMT has also been affected by this. The Company's profit in the H1 was lower than expected. Nonetheless, as a result of the effectiveness of the management team, JMT was able to report strong growth in the H2 and generate profit according to the target.

In June 2015, the Company has acquired shares in Singer Thailand Public Company Limited in the ratio of 24.99%. In addition, the Company has listed JAS Asset Public Company Limited on the Stock Exchange of Thailand in November 2015. The objective was to allow the Company to drive the organizations with uniquely sustainable growth across all sectors of the "JAYMART GROUP".

The Company strives to reform our business structure in order to support all aspects and opportunities for business growth in all business segments. The goal is to be number one and maintain our position as a leader.

The company can operate its business as planned as well as receiving confidence and trust of customers continuously. This proves that the Company's business policies and approaches are effective. Furthermore, the Company will continue to focus on service quality of all employees and offer good experiences to our customers through all our products. The Company will support and encourage all employees to express their comments and stimulate teamwork atmosphere.

On this occasion, JMT would like to thank all shareholders, value customers, business partners, administrative board, and all employees who participate in supporting JMT and we, JMT, guarantee to you all that JMT will perform the business professionally and will keep developing the competence of the organization continuously together with being responsible for the society, act itself as the good role model for the society in order to make society has the better and even more quality of life.

(Mr. Pisnu Pong-acha)

Chairman of the Board

(Mr. Adisak Sukumvitaya)

Chairman of the Executive Committee

## Directors and Management Biography

### Mr. Pisnu Pong-acha

Age 62

**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



#### 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

### Mr. Adisak Sukumvitaya

Age 60

**Position in the Company** Director , Chief Executive Officer

#### 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

1990-Present	Director / Chief Executive Officer	JAY MART PCL.
2004-Present	Chairman of the Executive Committee	JAY MART PCL.
2012- Present	Chairman of the Board	JMT Network Services PCL.
1993 – 2011	Director	JMT Network Services PCL.
2013- Present	Chairman of the Board	J Asset Management Company Limited
2013- Present	Chairman of the Board	JAY Insurance Broker Company Limited
2011- Present	Chairman of the Board	JAS Asset PCL.

#### 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

**Miss Yuvadee Pong-acha**

Age 60

**Position in the Company** Director / Deputy Chief Executive Officer - Operations  
Executive Committee, Selection and Remuneration Committee

**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
------	--	---

**Previous Experience**

2012- Present	Chairman of the Executive Committee	JMT Network Services PCL.
1994- Present	Director	JMT Network Services PCL.
2007 – 2011	Managing director	JMT Network Services PCL.
2013- Present	Director	J Asset Management Co., Ltd.
2013- Present	Director	JAY Insurance Broker Co., Ltd.
2011- Present	Chairman of the Board	JMT Plus Co., Ltd.,
2012- Present	Director	JAS Asset PCL.

**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

**Mr. Phisit Dachanabhirom**

Age 75

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

**Education**

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

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

**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

**Mr. Suwit Kingkaew**

Age 65

**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
------	--------------------------------	---

**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.

**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

**Mr. Pracha Tansaene**

Age 55

**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
------	--------------------------------	---

**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

**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

**Mrs. Manee Soonthornvatin**

Age 60

**Position in the Company** Director, Executive Committee , Chief Information Officer**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.

**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

**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 53 Years

**Position in the Company** Executive Committee, Chief Finance Officer**Education**

1985 Master of Business Administration in Accounting Ramkhamhaeng University

2009 Bachelor of Business Administration in Accounting Ramkhamhaeng University

**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 PCL.

**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 :	734,257,706 Baht
Paid-up Capital :	524,463,106 Baht
	Comprise of 524,463,106 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:	81,000,000 บาท
Paid-up Capital:	81,000,000 บาท
	Comprise of 81,000,000 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 :	444,000,000 Baht
Paid- up Capital :	369,999,930 Baht
	Comprise of 369,999,930 common shares
	Par value 1 Baht per share

Share Holdings Percentage of JMART : 55.88%



**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 :** 370,390,000 Baht  
**Paid- up Capital :** 370,390,000 Baht  
Comprise of 370,390,000 common shares  
Par value 10 Baht per share  
**Share Holdings Percentage of JMART :** 67.50%

**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 :** 120,000,000 Baht  
**Paid- up Capital :** 120,000,000 Baht  
Comprise of 12,000,000 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., 4<sup>th</sup> 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 25,000,000 common shares  
Par value 10 Baht per share  
**Share Holdings Percentage of JMT :** 99.99%

**JAY Insurance Broker Company Limited**

Head Office : 325/7 Jaymart Bldg., 5<sup>th</sup> Fl., Ramkhamhaeng Rd., Sapansoong, Bangkok 10240

Telephone : 0-2308-9999

Fax : 0-2308-9840

Company Registered Number: 0105556022886

Website : [www.jayinsurancebroker.co.th](http://www.jayinsurancebroker.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., 7<sup>th</sup> 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: 132,500,000 Baht

Paid-up Capital: 132,500,000 Baht

Comprise of 132,500,000 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

### 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 75% 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’s capital was increased by selling 120 increased shares to shareholders and other people. Thus, company’s shares increased to 420 with paid registered capital in the amount of 419,573,608 baht.

In 2014, the company’s capital was increased and distributed dividend shares to the shareholders in the number of 104,889,498 shares with paid registered capital in the amount of 524,463,106 baht.

In 2015, the company bought 24.99% of shares in Singer (Thailand) Co., Ltd. (Public), increased capital and sold shares of JMT Network Services Co., Ltd. (Public) which decreased the proportion of shareholding therein from 75% to 55.88%. Also, there was a new company established namely Smart Item Co., Ltd. with its registered capital in the amount of one million baht and its 99.99% of shares held by the company.

On 10 November 2015, JAS Asset Co., Ltd., (Public), an affiliate, stepped into Stock Exchange of Thailand reflecting shareholding proportion to decrease from 99.99% to 67.50%.

## 1.2 Business Operations of the Company and its subsidiary

### Group Organization Structure



Currently, there are 7 subsidiaries carrying out their business as follows:

1. JMT Network Services Co., Ltd. ("JMT") in which the company holds shares accounting for 55.88 per cent with the fully-paid registered capital of 370 million baht.
2. JAS Asset Public Limited Company in which the company holds shares accounting for 67.50 per cent with the fully-paid registered capital of 370.39 million baht.
3. JMART Holding Co., Ltd., in which the company holds shares accounting for 99.99 per cent with the fully-paid registered capital of 81 million baht, runs a business relating to investment.
4. SMART Item Co., Ltd. in which the company holds shares accounting for 99.99 per cent with the fully-paid registered capital of 1million baht, the company commercially runs an e-commerce business (selling goods via the Internet)  
Subsidiary that the company holds shares indirectly (holding shares by JMT Network Services Public Limited Company).
5. JMT Insurance Broker Co., Ltd. is established with the registered capital of 2 million baht, runs an insurance broker business for insurance companies.
6. J Asset Management Co., Ltd., is established with the registered capital of 25 million baht, runs a business relating to buying non-performing debts that have legal obligations.
7. JMT Plus Co., Ltd., is established with the registered capital of 120 million baht, runs a business regarding leasing credits and retail credits.

## **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, Oppo, Vivo, Huawei, Lenovo, Wiko, Asus, Acer, Microsoft, Sony, HTC, ZTE

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 2015 Presently, the Company sells its product in 244 outlets covering Bangkok and its vicinities, as well as major cities in the country.

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, iPhone, LG, Oppo, Sony, HUAWEI, HTC, Lenovo, Vivo, Acer, Cherry, Lava, ZTE, iPhone

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, iPhone, Nokia, LG, OPPO, SONY, HUAWEI, HTC, Lenovo, Vivo, Acer, Cherry, Lava, ZTE,

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 tracking and collection service business**

Our company is a service provider in tracking the distressed debt in which the creditor is unable to pursue or not wishes to pursue by himself as the income received is not worth the cost of the tracking. It covers all types of debt, such as personal

loan group debt, credit card group debt, utilities group debt and service fees group debt. The employer, which including various creditors will send the name list and information of debtors to the company. The company then will search for additional information of the debtor, investigate and track the debtor and negotiate for each debtor to make the debt payment, under the terms which the company has been authorized by the employer. The company will receive the debt tracking service fee in the percent ratio of debt that the company able to track and agreed for the debtor to pay the debt.

As at December 31, 2015 the company has the amount of debt assigned to track from the employer in the amount of 25,367 million baht. The key employers are financial institutions and leasing companies.

The company also provides other services related to providing tracking and collection services, including legal services in connection with the execution of all types of debt and document delivery services (Mr. Speed Service). For legal services, is a lawyer serving to a third party. The team of lawyers is a team that acts in suing against the debtor who fails to pay the debts. As for the business operation of the debt tracking and collection and management of debt, the company will recognizes the income as service fee and fees as percent ratio of the amount of repayment from the compulsory execution. For the document delivery service, is a service made available to third parties. The delivery of documents and goods is mainly by motorcycle and a pickup truck.

### 2. Non-performing Debt Management Business

The company operates the business of managing distressed debt resulting from the fact that financial institutions, including some of the leasing companies have a policy to reduce the proportion of the Non-performing debt and reduce their cost in tracking the debt. Hence, has a policy to distribute such distressed debt out from the account. The creditor will open for the company that specializes in debt tracking and collection to auction the distressed debt at a discount price of the full debt. The bidder shall have the obligation of managing and take on the risk of tracking and collection of the debt auctioned. From the fact that the company has the analysis data on personnel debt collection and expertise in debt tracking and collection for more than 20 years, it is an essential factor which causes the company to be able to analyze and evaluate the opportunities in tracking and collection of debt effectively and succeed in operating such business.

As at December 31, 2015, the company has distressed debt under management in the total book value of investments in Non-performing debt – net equivalent to 2,829.55 million baht.

### 3. 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, 2015, the company and its subsidiary have the amount of debtor from the leases - net equals to 23.35 million baht.

#### 4. 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.

#### 5. Personal loan service business

The company provides personal loan service under supervision of the Bank of Thailand as it sees business opportunities with high returns despite risks from default account receivables. Moreover, the company has experiences in debt collection business which requires investigation, following up and negotiating with non-performing debt account receivables all along, therefore there are procedures and expertise in investigating, analyzing and assessing account receivables before approving each loan. As of 31st December 2015, the company and its subsidiaries has the amount of account receivables from net loan provision totaling of 617.78 million baht.

### **JAS Asset Company Limited (Subsidiary)**

#### Retail space management business

The Company is also operating rental area allocation and management business by leasing retail space from land owner and allocates and rents out the area to retail customers. In addition, the Company will also look after and offer administrative service on the rental areas throughout the rental term. The allocation and management of rental areas are in shopping centers. The company will lease a space in the mobile phone or technology product section in large shopping centers such as Central Department Store, Big C etc. the objective is to manage the area to be distribution center for IT products under the name IT Junction and allocate the areas to small retailers. As at December 31, 2015, the Company has more than 47 branches of IT Junction with leasable area of 14,000 square meters and a total of 1,400 retail stores both in Bangkok and other provinces. In 2015, the Company also established Community Mall including The JAS Wanghin, which was opened in November 2014 and The JAS Ramindra in September 2015.

### **1.3 Revenue Structure of the Company and Subsidiary**

Revenue Structure of the Company and its subsidiary for the Year 2013 – 2015

Unit: Million Baht

Revenue Structure Categorized by Nature of Business	2013		2014		2015	
	Value	%	Value	%	Value	%
<u>Company</u>						
1. Mobile Phones Business						
- Sales of Mobile Devices	8,966	89.70%	8,059	86.93%	8,330	83.66%
- Other Sales Promotions	276	2.77%	273	2.95%	358	3.59%
Total Sales Revenue	9,242	92.47%	8,332	89.88%	8,688	87.25%
2. Retail Space Rental						
- IT Junctions	337	3.37%	410	4.43%	486	4.88%

Revenue Structure Categorized by Nature of Business	2013		2014		2015	
	%	Value	%	%	Value	%
Subsidiary						
3. Debt collection and Non-performing Loans Management						
- Debt-tracking Service	97	0.97%	93	0.93%	99	0.99%
- Debt acquisition and management	255	2.55%	388	4.18%	571	5.73%
- Other related business <sup>2</sup>	10	0.11%	6	0.15%	25	0.26%
Total revenue from debt collection and NPL management Business	362	3.63%	488	5.26%	695	6.98%
Other sources of Revenue						
- Gain on fair value adjustment			(3)	0.03%	8	0.08%
-Other revenues	54	0.53%	43	0.46%	80	0.81%
Total Revenues from other Sources	54	0.53%	40	0.43%	88	0.89%
Total Revenue	9,995	100%	9,271	100%	9957	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

Company's policy is to expand the market share in retail markets in order to be a leader of mobile phone business, accessories and gadget products. The target is to expand the market share by enlarging the sale volume in existing branched along with expanding more branches, as well as reforming shops to extremely response clients' need.

Products will be selected by quality and variety of appearances in order to thoroughly response a different demand of clients. Company's target is to increase products according to the change of technology, especially for technology of 3G/4G and company's policy is to expand the product line of accessories and technological products.

The company will organize the selling events in order to attract consumers and continuously promote JMART brand.

The company's staff will be constantly trained to develop their knowledge regarding products and qualities of services in each week.

### 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 tracking and collection service business

The company aims to maintain its leadership in the tracking and collection of debt service business, with a plan to maintain the volume of debtor tracked at the amount of 10,000 million baht, with an emphasis on expanding the services mainly to customers of financial institution, in both existing and new customers.



The company has operation strategy to achieve the goal as follows

- Focus on quality of service in tracking and collection of debt to achieve the standards and efficiency under the goal to make customers achieve the highest satisfaction. Moreover, every year there must be no complaints on quality of service from customers.
- Development of information systems and gathered of modern information with the goal to develop such a system to be up to date every year.

#### Non-performing Debt Management Business

The company aims to buy more Non-performing debt for management with the short-term goal to buy debt amount in full to manage, on average of no less than 20,000 million baht per year by focusing and managing as follows

- Conservative Bids under the careful growth policy
- Develop tracking database and carefully evaluate the result of the tracking and collection of debt prior to auctioning the debt.
- Capital spending and tracking costs are carefully monitored and evaluate the result of tracking and collection of debt compared to the cost in detailed regularly on a quarterly basis.

#### 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.

#### Personal Loans Business

The company targets on offering personal loans to our clients. We focus primarily on offering the services through the network of J Mart, JMT and various strategic business partners. We will serve the demand for personal loans of all customers by offering the loans with the investment budget of 2 billion baht per year.

## 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 2014 inventories accounted for 13.7% 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 2014, the Company has effectively managed inventories, therefore, the inventory turnover day was 59 days less than target (50 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 2014, the Company has provided allowance for only Baht 1.46 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, OPPO, iPhone, LG,Huawei, Nokia and Lenovo. The company must rely on these phone manufacturers. During 2014, Samsung, OPPO, iPhone, LG,Huawei, Nokia and Lenovo accounted for 56%, 11%, 7%, 5%, 5%, 4% and 3%, 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 of dependent on Big C Supercenter Public Company Limited**

As 44 branches of total 47 branches of IT Junction are located in the Big C Supercenter which is owned by Big C Supercenter Public Company Limited ("Big C"). Therefore, the Company has to rely on the rental area of Big C. If Big C revoked or discontinued the rental agreement or manage the rental area in place of the Company, this will significantly affect business operations of the Company. Similarly, if Big C reduced or changed its branch expansion plan, this could affect the Company's outlet expansion plan as well as the business operation of the Company.

Nonetheless, the Company has a good relationship and has been business partner with Big C for more than 10 years. In the past, the Company's rental agreement has never been revoked by Big C before. In addition, the Company has more experience and expertise in administration of mobile phones and technology products than Big C. This is evident in the success of the Company's area management in Big C Supercenter in the past. Moreover, Big C has issued letter of intent to allow the Company to extend rental agreement for IT Junction for another two periods with rental length of three years per period apart from the current rental agreement. This shows that Big C is still a good business partner of the Company and does not have intention to compete the Company to administrate the rental area on mobile phones and technology products.

#### 1.2.2 Risks related to Development and Returns of The Jas and J Market Project

The development and management of Community Mall (The Jas) would require relatively high investment and long payback period. The Company may not be able generate return from the project as planned due to intense competition or economic factors that affect the number of tenants in the project or reduction in occupancy rate. This could affect the operating results and financial position of the Company. In this regard, the Company has perceived the potential risks and has established a policy to conduct feasibility study to evaluate the project before developing the project. This includes suitability of the location, number of population, targeted customer group, consumer behavior and competitors around the project. Moreover, the Company would apply marketing strategy and business plans to suit each project. In addition, the Company will offer long-term rental agreement with tenants to more than three years so that tenants will rent a space in the project continuously.

In addition, the risk of J Market Project which has already been developed is the possibility that the Company cannot find number of tenants as expected or large number of tenants move out of the Project. This may affect returns of the project not to meet the target. Nonetheless, for the J Market Ladplakao, the Company has conducted feasibility study and evaluated the Project before developing the project. At the end of July 2015, the open market area of Project has occupancy rate of 100%. Moreover, the investment for J Market Ratpattana and J Market Saima Projects are less than five million baht each. If the projects are unsuccessful, it will not significantly affect the operating results of the Company.

### 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 2015, there are about 389 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 2015 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	76,143,418	14.52
2. Miss Yuvadee Pong-acha	60,754,305	11.58
3. Mr. Ekachai Sukumvitaya	49,450,000	9.43
4. Miss Juthamas Sukumvitaya	40,969,697	7.81
5. STATE STREET BANK EUROPE LIMITED	34,079,550	6.50
6. Mr. Piranart Chokwatana	9,234,761	1.76
7. Mr. Adisak Naknaowatim	6,482,075	1.24
8. Miss Waranee Sereviwattana	5,900,000	1.12
9. Mr. Naphat Panchakunathorn	5,050,000	0.96
10. Mr. Sirisak Sonsopol	4,650,000	0.89
11. Thai NVDR	4,573,890	0.87
12. Mr. Somsak Tirakanun	3,687,075	0.70
13. Mr. Sukol Kanjanahattakit	3,162,500	0.60
14. Mr. Dej Bulsuk	2,919,500	0.56
15. Mr. Somyut Anunprsyoon	2,837,400	0.54
16. Miss Panurat Jaturanon	2,680,025	0.51
17. Mr. Suwat Niyomsathan	2,659,350	0.51
18. Mr. Bumrung Srikran	2,614,475	0.50
19. Mr. Aroon Chaisirinon	2,485,000	0.47
20. Mr. Anon Pijitrojana	2,380,000	0.45
<b>Total Paid –up Capital</b>	<b>322,713,021</b>	<b>61.53</b>

**Remarks :** The information from Jay mart Public Company Limited as of the book closing date on December 30, 2015

## Organizational Structure

As of 31 December 2015, 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

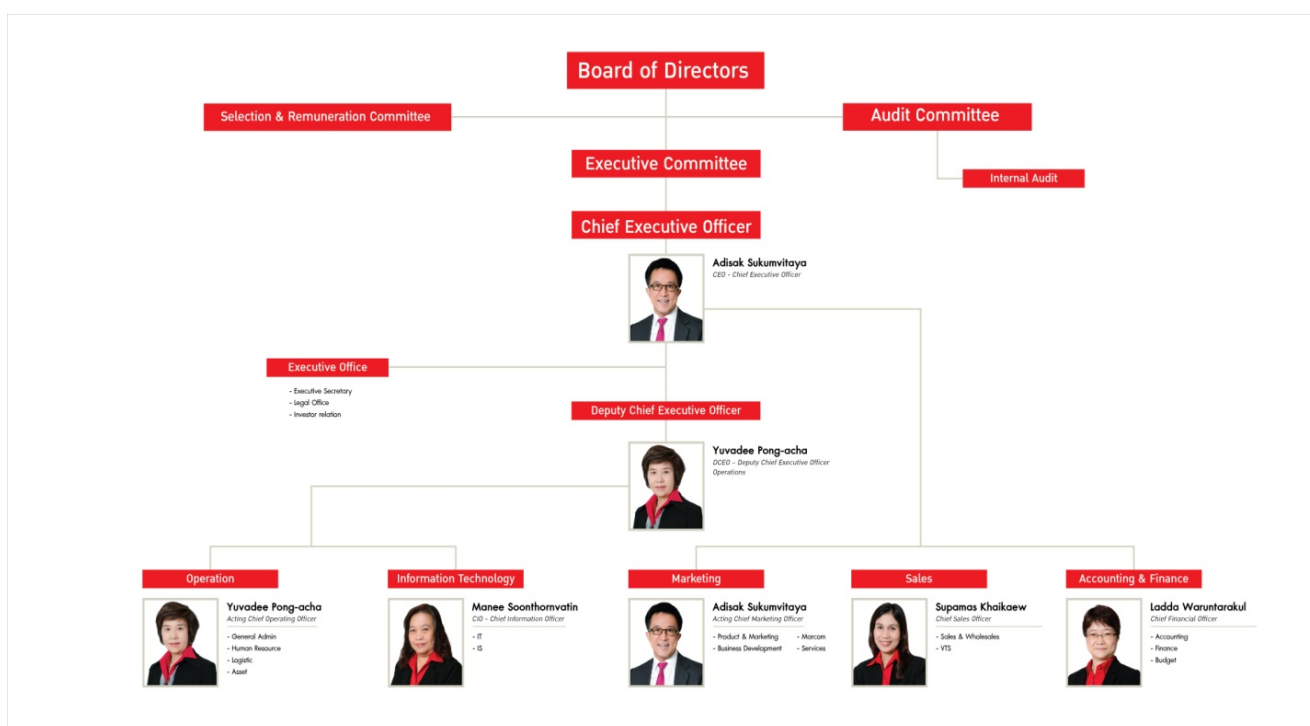


Figure 1's management structure is Jay Mart Public company limited.

## Board of Directors

As of 31 December 2015, the Company's Board of Directors comprised of 7 members, which are;

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

### 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 2015, the Company's Audit Committee comprised of 3 members, which are;

- |               |               |                                    |
|---------------|---------------|------------------------------------|
| 1. Mr. Phisit | Dachanabhirom | <i>Chairman of Audit Committee</i> |
| 3. Mr. Suwit  | Kingkaew      | <i>Audit Committee</i>             |
| 4. Mr. Pracha | Tansaenee     | <i>Audit Committee</i>             |

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

### 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 2015, the Company's selection and remuneration committee comprised of 3 members, which are;

- |                 |               |   |
|-----------------|---------------|---|
| 1. Mr. Suwit    | Kingkaew      | <i>Chairman of the selection and remuneration committee</i>         |
| 2. Mr. 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> |

### 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 2015, 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 1/2015 Shareholders' Meeting, dated 9 April 2015. The 2/2015 Board meeting, dated 19 February 2015 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 2014, the company pays for the Directors' remuneration in fixed payment and Bonus

Name	Position	2014	2015
1. Mr. Pisnu Pong-acha	<i>Chairman of the Board</i>	540,000	540,000
2. Mr. Adisak Sukumvitaya	<i>Director</i>	300,000	300,000
3. Miss Yuvadee Pong-acha	<i>Director</i>	300,000	300,000
4. Mrs. Manee Soonthornvatin	<i>Director</i>	300,000	300,000
5. Mr. Pracha Tansaenee	<i>Director</i>	540,000	540,000
6. Mr. Phisit Dachanabhirom	<i>Chairman of Audit Committee/Independent Director</i>	300,000	300,000
7. Mr. Suwit Kingkaew	<i>Audit committee/Independent Director</i>	300,000	300,000
<b>Total</b>		<b>2,580,000</b>	<b>2,580,000</b>

### 2) Executives' remuneration.

Total remuneration for executives, the period ended 31 December 2014 and 2015

Remuneration**	2013	2014
Executive *** (Baht )	20,652,000	22,164,506.67
จำนวนผู้บริหาร ( Person )	5	5

\*\* 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 7 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 2013-2014, 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 2014 and 2015, the company held the board of directors' Meeting at 5 times and 7 times , respectively. Details of attendance of each member of the board of directors are as follows:

	Position	Position	2014	2015
1	Mr. Pisnu Pong-acha	Chairman of the Board	5/5	7/7
2	Mr. Adisak Sukumvitaya	Director	5/5	7/7
3	Miss Yuvadee Pong-acha	Director	5/5	6/7
4	Mrs. Manee Soonthornvatin	Director	5/5	7/7
5	Mr. Pracha Tansaene	Director	5/5	7/7
6	Mr. Phisit Dachanabhirom	Director	5/5	7/7
7	Mr. Suwit Kingkaew	Director	5/5	6/7

### **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 2014 and 2015, the company held the audit committees' meeting at 4 times and 6 times each year. Details of attendance of each member of the audit committee are as follows:

	<b>Name</b>	<b>Position</b>	<b>2014</b>	<b>2015</b>
1	Mr. Phisit Dachanabhirom	Chairman of Auditor Committee	4/4	6/6
2	Mr. Suwit Kingkaew	Audit Committee	4/4	5/6
3	Mr. Prach Tansaenee <sup>2</sup>	Audit Committee	4/4	6/6

### **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 2014 and 2015, the company held the board of directors' Meeting at 4 times and 4 times, respectively. Details of attendance of each member of the executive committee are as follows:

	<b>Name</b>	<b>Position</b>	<b>2014</b>	<b>2015</b>
1	Mr. Adisak Sukumvitaya	Chairman of the Executive Committee	4/4	4/4
2	Miss Yuvadee Pong-acha	Executive Committee	4/4	4/4
3	Mrs. Manee Soonthornvatin	Executive Committee	4/4	4/4
4	Miss Ladda	Executive Committee	4/4	4/4
5	Mrs. Supamat Kaikaew	Executive Committee	4/4	3/4

### **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 2014 and 2015, the company held the board of directors' Meeting at 2 times and 3 times, respectively. Details of attendance of each member of the executive committee are as follows:

	<b>Name</b>	<b>Position</b>	<b>2014</b>	<b>2015</b>
1	Mr. Suwit Kingkaew	Chairman of Selection and remuneration committee	2/2	2/3
2	Mr. Phisit Dachanabhirom	Selection and remuneration committee	2/2	3/3
4	Miss Yuvadee Pong-acha	Selection and remuneration committee	2/2	3/3

## **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 E&Y 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.

**Dividend Policy**

The Company has a dividend policy and the subsidiaries to shareholders not less than 50 % of net profit after tax and legal reserved by considering the consolidate financial statements. The Board of Directors can authorize to exclude the implementation of policies or change it from time to time. Under conditions that the operation will cause best benefit to shareholders and its subsidiaries. Such as a reserve for loan repayment, investment to expand its business. Or in case of changes in market conditions that may affect the company's cash flow and its subsidiaries in the future

## (Anti-Corruption Policy)

Since currently malpractice or corruption tends to increase while views of people in the society that corruption is perceived as a normal practice. In reality, the problem of corruption severely affects the society so that the company place high priority to anti-corruption actions. In the Meeting of the Board of Directors No. 6/2557 on 10th November 2014, the Board of Directors determined the anti-corruption policy as well as written guidelines which were approved by the Board of Directors, in order to announce the company's intention to resist all types of corruption and expect everyone in the organization to understand the same anti-corruption policy under the same policy as well as those who are related to the company acknowledges the company's intention to resist corruption.

### Anti-corruption policy

Executive directors, employees and workers are not permitted to take any action that is related to all forms of corruption both directly or indirectly for the benefits of immediate family, friends and other persons regardless of being a receiver, a giver or a proposer of bribes which can be in monetary or non-monetary terms to a public agency or private companies that the company has conducted its business or made contact with. The anti-corruption policy should be strictly observed.

### Duty and responsibilities of each agency

1. The Board of Directors is responsible for considering and approving the anti-corruption policy, and support any anti-corruption actions arising in the company so that everyone in the company realizes and is aware of the significance of the problem arisen from corruption. In case the Audit Committee has reported any corrupt actions that affect the company, the Board of Directors will be responsible for providing advice, suggestions, considering penalty and looking for solutions for the Chief Executive Officer.

2. The Audit Committee has the duty and responsibilities as follows:

2.1 Consider the anti-corruption policy proposed by the Chief Executive Office and ensure that such policy is suitable for the business pattern, the company's environments and organizational culture, and propose to the Board of Directors for approval;

2.2 Consider and review the appropriateness of the change in the anti-corruption policy obtained from the Chief Executive Officer, and propose to the Board of Directors for approval;

2.3 Verify the internal control system report and the assessment of risks involved in corruption that the Internal Audit Division has proposed. This is to ensure that such system has the least risks of corruption occurring that affects the financial position and performance of the company. In addition, such system should be consistent with the business pattern of the company.

2.4 Receive reports on corruption clues, that individuals in the organization are involved, examine the informed facts and propose the issue to the Board of Directors to jointly consider the penalty or look for solutions to the issue.

3. Internal Audit Division has the duty and responsibilities as follows:

3.1 Perform and ensure the duty and responsibilities follow the predetermined internal audit plan and propose the audit report, the internal control system and the assessments of corruption risks revealed from the internal control system examination to the Audit Committee for acknowledgement.

3.2 Perform work as assigned by the Audit Committee on the examination of corruption that relates to the organization in addition to the specified internal audit plan.

4. The Chief Executive Officer has the duty and responsibilities as follows:

4.1 Formulate the anti-corruption policy and propose to the Audit Committee.

4.2 Communicate with personnel in the organization and those related in order to acknowledge the anti-corruption policy.

4.3 Revise the appropriateness of the anti-corruption policy to be consistent with the changing business environments or legal requirements, and propose to the Audit Committee.

4.4 Assist the Audit Committee in investigating informed facts or tasks assigned by the Audit Committee on corruption investigation by delegating work to the capable management team.

#### Anti-corruption regulations

The company's directors, management and employees must strictly follow the anti-corruption policy and business ethics regardless of involving corruption directly or indirectly by:

1. Refrain from making any behaviors that indicate graft or offering a bribe to stakeholders in own responsibility either directly or indirectly in order to obtain benefits in a wrong way, as follows:

1.1 Do not receive or offer any gifts or souvenirs that are cash, cheques, bonds, gold, jewelry, real estate or any goods alike to related persons with whom the contact is made both in government and private agencies.

1.2 Do not receive any assets, goods, gifts, presents or other benefits that lead to omission of own duty. Before receiving gifts, one should examine to ensure compliance with relevant laws and the company's regulations. Goods or gifts exchanged in work should not have high prices and occasionally appropriate.

1.3 Do not offer any assets, goods, gifts or presents or other benefits as an incentive to decision making, or having influences such that a recipient is not following trade practices in the same way as other clients. Goods offered based on various occasions must not have excessive prices.

1.4 Do not act as a medium in offering money, assets, goods or other benefits to persons related to business, government agencies or any organizations in order to exchange for improper privileges or cause government officials to refrain from performing according to stipulated rules, regulations and legal practices.

2. With respect to procurement, it must be proceeded through procedures as specified by the company's regulations and must be transparent and accountable.

3. Expenses on entertainments and other expenses related to execution of contract can be carried out but at a reasonable and accountable manner.

4. Donations for charity must be carried out as follows:

4.1 Use of money or assets of the company to donate for charity must be carried under the name of the company only. The recipient of such donation for charity must be foundations, public charity organizations, temples, hospitals,

infirmary or organizations for social purposes that are certified or reliable and accountable. The donation must follow the procedures specified in the company's regulations.

4.2 Personal donation for charity can be done but must not be related or cause any doubts of corruption for some benefits.

5. Use of money or assets of the company to support a project must be identified with the company's name only. The supporting amount must be paid with the objectives regarding the business, good image and reputation of the company. Disbursement of such amount must specify a clear objective and be provided with verifiable evidence and follow the procedures specified in the company's regulations.

6. Do not take any actions related to politics within the company, and do not use any resources of the company for such purposes. The company is an organization that adheres to political neutrality, encourages legal compliance and democracy, and does not have a policy to provide any assistance to any political party either directly or indirectly.

7. If any actions regarded within the scope of corruption or may lead to corruption that relates to the company either directly or indirectly are found, such actions must not be ignored or neglected, and should be reported to the Chief Executive Officer immediately or via trace notification channels specified in this policy.

8. Directors and executives must be aware of the importance of disseminating knowledge, providing advices in order to create understandings to senior officers regarding anti-corruption so that employees observe this anti-corruption policy. In addition, directors and executives should be a good model with respect to honesty, ethics and code of conduct.

#### Trace notification channels for corruption petition

The Audit Committee of the company shall be responsible for considering trace notification and petition on actions that may cause any doubts of corruption arising to the company, such notifications can be made through the following channels:

1. Through the company's website (business control: Petition subject); or
2. Through a telephone number 02-308-8079 (the management / the company's secretary); or
3. Through Trace Box (located in the human resource division room)

Those who make petition must specify details of the issue whose trace to be notified, or petition as well as name, address and telephone numbers that can be contacted conveniently.

Those, who can report traces or make petition relating to corruption, are every group of stakeholders of the company including shareholders, customers, trade competitors, account payables, the government sector, communities, society, the company's executives and employees. Regardless of any channel of notification as mentioned above, the company shall keep your report confidential according to the protection and secrecy measure.

#### Protection and secrecy measure

In order to protect the right of petitioner and those who provide information with good intention, the company shall conceal the names of those who provide such information or any information that can identify the petitioner or information providers, and store such information confidentially. Only those responsible for examining petitions can access the information.

In case the petition is made to the Chief Executive Officer, the Audit Committee shall act to protect those who have reported the trace, or the witness petitioner and information providers to be used in investigating the facts, so as to ensure they do not get into trouble or any dangers or any unjust situations resulting from the trace notification, being witnesses or providing information by asking the petitioner to submit the petition directly to the Audit Committee.

The Chief Executive Officer is responsible for providing judgment to proceed as seen appropriate in protecting those who have reported the trace, or the witness petitioner and information providers to be used in investigating the facts, so as to ensure they do not get into trouble or any dangers or any unjust situations resulting from the trace notification, being witnesses or providing information.

The Chief Executive President can assign work to any executive to act on behalf in using judgment to give security protection order for those who have reported the trace or the witness petitioner and information providers. The assigned executive must not involve with the issue reported or the petition either directly or indirectly (for example, the accused is a direct senior line officer).

However, those, who receive the information on the petition from doing their related duty, are responsible to keep the information, petition and evidence documents of the petitioner and information providers as strictly confidential and do not disclose the information to others who do not have the related duty unless the information must be disclosed as stipulated in the relevant laws.

#### Dissemination of the anti-corruption policy

In order to ensure everyone in the organization acknowledge the anti-corruption policy, the company shall take actions as follows:

1. The company shall post the anti-corruption policy clearly in locations that everyone in the organization can read.
2. The company shall disseminate the anti-corruption policy through communication channels of the company such as E-mail, the company's website, and a report on annual disclosure of information.
3. The company shall arrange trainings on the anti-corruption policy to new employees.
4. The company shall revise the anti-corruption policy on an annual manner.

## Related Transactions

During 2015 and 2014, 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

### JMT Network Services Co., Ltd. (Public) (JMT)

Important Lists	List Value (Million Baht)		Price Condition /Necessary
	2015	2014	
1.JMART sold products to JMT.	0.33	0.09	Market price/Sale of mobile phone
2.JMART billed JMT an administration fee.	1.37	0.64	In the rate as mutual consent/Information system of financial consult
3. JMART let JMT lease the head office.	14.89	14.97	In the rate as mutual consent /Lease of Head Office
4.JMART billed JMT a sale-promotion charge.	0.07	-	In the rate as mutual consent /Compensation from being a broker of credit enrolment.
5.JMART billed JMT a fee from its incomes.	0.16	0.14	In the rate as mutual consent /Providing seminar room services and etc.
6.JMT charged JMART a debt-collection fee.	-	0.13	In the same rate of general clients/Debt-collection fee and Document deliver charge

### JMT Plus Co., Ltd. (JMTP)

Important Lists	List Value (Million Baht)		Price Condition /Necessary
	2015	2014	
1. JMART sold products to JMTP.	0.02	-	Market price/Sale of mobile phone
2.JMART let JMTP lease the head office.	1.12	0.14	In the rate as mutual consent /Lease of Head Office
3.JMART billed JMTP a sale-promotion charge.	0.70	-	In the rate as mutual consent /Compensation from being a broker of credit enrolment.
4. JMART billed JMTP a sale-promotion charge.	40.40	-	In the rate as mutual consent /Market supporting fee J-Money

### J Asset Management Co., Ltd. (JAM)

Important Lists	List Value (Million Baht)		Price Condition /Necessary
	2015	2014	
1.JMART sold products to JAM.	-	0.01	Market price/Sale of mobile phone
2.JMART let JAM lease the head office.	3.91	0.63	In the rate as mutual consent /Lease of Head Office

**J Insurance Broker Co., Ltd. (JIB)**

Important Lists	List Value (Million Baht)		Price Condition /Necessary
	2015	2014	
1.JMART sold products to JIB.	0.02	-	Market price/Sale of mobile phone
2.JMART billed JIB a service fee.	0.09	0.06	In the rate as mutual consent /Providing service of advertising board

**JAS Asset Co., Ltd. (Public) (J)**

Important Lists	List Value (Million Baht)		Price Condition/Necessary
	2015	2014	
1.JMART sold products to J.	0.20	0.58	Market price/Sale of mobile phone
2.JMART billed J an interest.	-	1.98	In the rate as mutual consent /JMART provided a loan to J.
3.JMART let J lease the head office	0.78	0.55	In the rate as mutual consent /Lease of Head Office
4.JMART billed J an administration fee.	1.78	1.04	In the rate as mutual consent/Human resources administration/Communication of Organization and Information System
5.JMART billed J a fee from its incomes.	0.47	0.29	In the rate as mutual consent /Providing services of outstanding payment and debt collection
6.J billed JMART a rental fee.	17.66	22.61	In the rate as mutual consent /Lease of Branch Office.
7.J billed JMART a sale-promotion charge.	3.03	1.50	In the rate as mutual consent /Advertisement and support of sale-promotion activities held in ITJ and The JAS

**Singer (Thailand) Co., Ltd. (Singer)**

Important Lists	List Value (Million Baht)		Price Condition/Necessary
	2015	2014	
1.JMART sold products to Singer.	47.94	-	Market price/Sale of mobile phone
2.JMART purchased Singer's products.	1.71	-	Market price/Sale of CCTV
3. Singer billed JMART a sale-promotion charge.	1.10	-	In the rate as mutual consent /Marketing campaign for increase of sale opportunity



### 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 2015 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 Audit Committee

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

- |                               |                                  |
|-------------------------------|----------------------------------|
| 1. Mr. Phisit Dachanabhirom   | Chairman of Audit Committee      |
| 2. Mr. Suwit Kingkaew         | Audit Committee                  |
| 3. Mr. Pracha Tansaenee       | Audit Committee                  |
| Miss Kanlayakorn Pitiworawong | secretary of the Audit Committee |

During 2015, 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 such as HR management. 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

### Operational Performance

	Amount (million baht)		Change
	2558	2557	YoY(%)
Total revenue	9,957.25	9,270.59	7.41%
Total costs	8,056.72	7,600.23	6.01%
Gross profits	1,900.53	1,670.36	13.78%
Expenses on sale and administration	1,311.34	1,148.30	14.20%
Profits before interest and tax	587.63	522.06	12.56%
Net profits	322.64	328.74	-1.86%

#### Revenue

Total revenue of the company increases from 9,270.59 million baht in 2014 to 9,957.25 million baht in 2015, equivalent to an increase of 7.41 per cent. The reasons for the increase include the following revenue increases:

1. Revenue from sale which is the main source of revenue of the company including distribution of mobile phones and accessories, increases from 8,059.09 million baht in 2014 to 8,330.26 million baht in 2015, or an increase of 271.17 million baht, equivalent to 3.36 per cent. This is a result of an increase of sale volume due to distribution channel expansion and an increase in the average unit price.
2. Total revenue, from debt collection and other services, increases from 487.56 million baht in 2014, to 694.87 million baht in 2015, or an increase of 207.31 million baht equivalent to 42.52 per cent. This is due to more biddings for non-performing debts for own management.
3. Revenue from rents is revenue obtained from renting space with the forms of retail trading area management under the names: IT Junction, J-Market and Community Mall. In 2015, the company has revenue from rents of 485.86 million baht, an increase from that of 2014 by 75.52 million baht, equivalent to 18.40 per cent as a result of rental area expansion, particularly revenue from the Jas Wang Hin Project (launched November 2014) and The Jas Ram Inthra (launched September 2015).
4. Revenue from sale promotions is revenue that the company obtains from mobile phone manufacturers of each brand. The revenue includes marketing promotions, activity promotions and sale commissions by increasing from 273.09 million baht in 2014 to 357.88 million baht in 2015 or an increase of 84.78 million baht, equivalent to 31.05 per cent along with increased revenue from selling mobile phones.

Other revenue increases from 43.30 million baht in 2014 to 80.19 million baht in 2015, or 36.89 million baht, equivalent to 85 per cent.

#### Costs of sale

In 2015 and 2014, the company has the costs of sale of 8,056.72 million baht and 7,600.23 million baht, respectively. Mostly, costs of sale increase with increased revenue from sale.

Costs of sale include costs of products, namely mobile phones and accessories which the company purchases from mobile phone manufacturers or manufacturer's distributors both domestically and abroad. In addition, there are costs of

renting space from the retail trading space management business, and costs of debt acquisition and employment of debt collection employees in the debt collection and management business.

#### Expenses on sale and administration

In 2015 and 2014, the company has expenses on sale and administration of 1,311.34 million baht and 1,148.30 million baht, respectively, an increase of 163.04 million baht, equivalent to 14.20 per cent as compared with the previous year. The main reasons include depreciation from decorating branches, expenses on marketing administration and allowances for doubtful debts from investments in account receivables.

#### Net profits

In 2015 and 2014, the company has gross profits of 1,900.53 million baht and 1,670.36 million baht, respectively, an increase of 13.78 per cent. This is due to increased sale volume, The Jas Project's space expansion, and increased acquisition of non-performing debts for own management, resulting in an increase in the gross profits.

In 2015 and 2014, the company has the net profit of 322.64 million baht and 328.74 million baht, respectively, or a decrease by 1.86 per cent. The profit per share is at 0.62 and 0.67 baht per share for the years 2015 and 2014, respectively.

### Financial Status

#### Assets

On December 31, 2015, the Company has the total assets of 9,350.04 million baht; current assets are 2,797.53 million baht or 29.92 percent of total assets and non-current assets is 6,552.51 million baht or 70.08 percent of total assets. Comparing with 2014, the company's total assets increased by 3,181.33 million baht or 51.57 percent growth.

The summary of the changes of the assets in 2015 are as followings;

1. Short-term investments equal to 200.41 million baht, representing 2.14 percent of total assets.
2. Net Inventories equal to 1,285.06 million baht or 13.73 percent of total assets, increased by 175.33 million baht from last year due to increase in the Company's product sales which are in line with business growth.
3. Current portion of loans to customers equal to 617.78 million baht, representing 6.61 percent of total assets, an increase of 594.92 million baht from last year.
4. Investment in account receivables, net is equal to 2,829.55 million baht or 30.24 percent of the total assets. It soars from the previous year 850.26 million baht as the company purchases more distressed debts for management.
5. Investments in associates equal to 996.95 million baht or 10.66 percent of total assets, increase from last year 956.95 million baht due to the company's acquisition of 24.99 percent of shares of Singer Thailand Public Company Limited.
6. Leasehold, net equal to 773.05 million baht, representing 8.27 percent of total assets. An increase of 352.12 million baht from the previous year from The JAS Ramindra Project.

#### Liabilities

On December 31, 2015, the Company posts the total liabilities of 5,571.68 million baht, comparing with the previous year; the figure increases by 1,480.89 million baht or 36.20 percent. The summary of the changes of the liabilities in 2015 are as followings

1. Bank overdraft and short-term loan from the financial institutions equal to 3,309.76 million baht, increase by 841.64 million baht as the Company acquire more debt for management.
2. Long-term loans equal to 1,086.91 million baht, an increase of 151.88 million baht due to construction of The JAS Ramindra Project.
3. Debentures equal to 610.00 million baht which the Company offered to subsidiary. The money was used for purchase of debt for management.

#### Liquidity

In 2015, the Company has posted net increase (decrease) of cash and cash equivalents of 32.87 million baht as per following details:

	Year 2015	Year 2014
Cash flows from operating activities	(1,270.07)	(460.36)
Cash flows from investing activities	(1,183.90)	(736.52)
Cash flows from financing activities	2,486.84	1,134.61
Net increase (decrease) of cash and cash equivalents	32.87	(62.26)

Cash flow from operating activities in 2015, the Company has the net cash outflow from the operating activities of 1,270.07 million baht which is generated from loans to customers and investment in account receivables. In 2014, the company posted net cash outflow from operating activities for 460.36 million baht due to increase in investment in account receivables.

Cash flow from the investing activities in 2015, the Company has the net cash outflow from the investing activities of 1,183.90 million baht which is from Investments in associates (Singer) and investment in The JAS Ramindra Project. While in 2014, the Company has the net cash outflow from the investing activities of 736.52 million baht resulting from investment in The JAS Wanghin Project and asset acquisition.

Cash flow from financing activities in 2015, the Company has the net cash inflow from the financing activities of 2,486.84 million baht which is from short-term from the financial institutions and issuance of debentures to purchase more debt for management and long-term loans for The JAS Ramindra Project. In 2014, the Company has net cash inflow from the financing activities of 1,134.61 million baht which came from short-term loans from the financial institutions and issuance of debentures to purchase more debt for management and long-term loans for The JAS Wanghin Project.

Liquidity ratio of the company is equivalent to 0.68 in 2015 and 0.59 in 2014. The company has higher liquidity ratio due to increase in short-term investment and reduce in account payables.

#### Source of Funds

Company important source of funds comprised of investment from shareholders, short-term loans and long-term loans from financial institutions. On December 31, 2015, Shareholders' Equity equals to 3,778.35 million baht. It increases from 2014 by 1,700.44 million baht or 81.83 percent. The figure is due to increase in inappropriate retained earnings of 381.89 million baht and issuance of new shares and sale of investment in subsidiary of 1463.79 million baht. During 2558, the Company has paid dividends to shareholders amounting to 145.24 million baht. On December 31st, 2015, loans from financial institutions and debentures are 5006.66 million baht, an increase of 1603.52 million baht or 47.12 percent from the previous year.

## **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 2015, the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of 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 statement of financial position as at 31 December 2015, the related separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

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 is 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 and plan and perform the audit to obtain reasonable assurance about 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 procedures selected 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 Company'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 the financial statements.

I believe that the audit evidence I have obtained is 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 of Jay Mart Public Company Limited and its subsidiaries as at 31 December 2015, and the results of operations and cash flows for the year then ended, and the separate financial position of Jay Mart Public Company Limited as at 31 December 2015, and the results of operations and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**Emphasis of matter**

As disclosed in note 5 to financial statements, according to the correction of errors of a subsidiary's financial statements, as a result of the consolidated financial statements for the year ended 31 December 2014, presented as comparative information, have been restated. My opinion is not qualified in respect of this matter.

**Other matter**

The consolidated financial statements (before restated) of Jay Mart Public Company Limited and its subsidiaries and the separate financial statements of Jay Mart Public Company Limited for the year ended 31 December 2014 were audited by other auditor, in the same office as mine, who expressed an unmodified opinion on those statements on 20 February 2015.

**Mr. Teerasak Chuasrisakul**

Certified Public Accountant

Registration No. 6624

Bangkok, Thailand

19 February 2016



**JAY MART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6	169,467,117	136,598,601	98,408,690	86,983,393
Temporary investment	7	200,410,469	-	-	-
Trade accounts receivable and other receivables - net	8	315,178,238	259,240,506	290,889,551	240,484,766
Inventories - net	9	1,285,061,027	1,109,730,975	1,285,061,027	1,109,730,975
Accrued income	10, 35	322,936,210	371,465,383	302,773,780	356,796,251
Current portion of					
- Hire - purchase receivables - net	12	9,413,866	13,992,155	-	-
- Loan receivables - net	13	314,368,198	19,140,201	-	-
Other receivable - subsidiary company	35	-	-	19,340,165	107,700
Refundable value added tax		88,714,865	52,716,990	26,225,245	17,980,166
Advance payment for purchasing goods	11	445,627	25,029,759	445,627	25,029,759
Other current assets	14	91,530,871	90,701,385	66,750,028	54,413,823
<b>Total Current Assets</b>		<b>2,797,526,488</b>	<b>2,078,615,955</b>	<b>2,089,894,113</b>	<b>1,891,526,833</b>
<b>NON - CURRENT ASSETS</b>					
Restricted deposits with financial institutions	16	2,058,720	2,160,782	-	-
Hire - purchase receivables - net	12	13,931,307	32,772,043	-	-
Loan receivables - net	13	303,411,707	3,721,091	-	-
Investments in accounts receivable - net	15	2,829,553,750	1,979,291,229	-	-
Investments - subsidiary companies	17.1	-	-	729,595,673	524,516,740
- associated companies	17.2	996,954,611	40,000,000	946,017,308	-
Investment property	18	516,000,000	498,200,000	-	-
Property, plant and equipment - net	19	768,600,971	748,861,602	656,405,265	671,341,155
Computer softwares - net	20	46,590,485	37,422,903	24,524,875	23,894,154
Leasehold rights and prepaid rent - net	21	773,055,733	420,932,977	253,043,023	279,601,663
Deferred tax assets	33	23,913,943	7,586,058	-	2,923,688
Rental deposit receivable - subsidiary company	35	-	-	4,046,787	5,101,048
Other non - current assets	22	278,440,595	319,145,810	156,350,239	168,982,743
<b>Total Non - Current Assets</b>		<b>6,552,511,822</b>	<b>4,090,094,495</b>	<b>2,769,983,170</b>	<b>1,676,361,191</b>
<b>TOTAL ASSETS</b>		<b>9,350,038,310</b>	<b>6,168,710,450</b>	<b>4,859,877,283</b>	<b>3,567,888,024</b>

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

**JAY MART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>					
<b>CURRENT LIABILITIES</b>					
Short - term loans from financial institutions	23	3,309,757,764	2,468,115,117	2,407,257,764	1,559,615,117
Trade accounts payable - general suppliers		160,203,485	400,604,366	125,540,453	233,519,633
- related company	35	3,209,084	-	3,209,084	-
Current portion of					
- Liabilities under finance lease agreements	24	412,426	735,422	-	-
- Long - term loans	25	412,288,845	490,229,644	29,029,595	27,268,397
Other payables - subsidiary companies	35	-	-	2,039,955	1,700,573
Construction payable		-	8,545,746	-	-
Accrued expenses	26, 35	130,384,493	66,437,819	76,615,475	37,043,616
Income tax payable		39,721,749	32,078,931	16,527,165	6,312,613
Other current liabilities		54,591,169	37,936,609	11,729,448	23,876,922
<b>Total Current Liabilities</b>		<b>4,110,569,015</b>	<b>3,504,683,654</b>	<b>2,671,948,939</b>	<b>1,889,336,871</b>
<b>NON - CURRENT LIABILITIES</b>					
Liabilities under finance lease agreements - net	24	601,554	1,013,980	-	-
Long - term loans - net	25	674,618,125	444,798,147	139,077,998	168,476,303
Debentures	27	610,000,000	-	-	-
Employee benefit obligations	28	27,882,269	21,077,417	20,575,723	16,704,343
Deferred tax liabilities	33	15,115,413	2,593,978	4,246,323	-
Rental deposits - subsidiary company	35	-	-	4,373,614	3,479,700
Other non - current liabilities	29	132,897,109	116,626,522	8,765,855	5,960,807
<b>Total Non - Current Liabilities</b>		<b>1,461,114,470</b>	<b>586,110,044</b>	<b>177,039,513</b>	<b>194,621,153</b>
<b>TOTAL LIABILITIES</b>		<b>5,571,683,485</b>	<b>4,090,793,698</b>	<b>2,848,988,452</b>	<b>2,083,958,024</b>

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

**JAY MART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
Share capital, common share at Baht 1 par value					
Registered 743,257,706 shares					
(2014: 524,467,010 shares)	30	734,257,706	524,467,010	734,257,706	524,467,010
Fully paid - up 524,463,106 shares		524,463,106	524,463,106	524,463,106	524,463,106
Share premium		548,019,741	548,019,741	548,019,741	548,019,741
Surplus from change in proportion of investment in subsidiary companies	17.1	815,364,074	136,343,425	-	-
Retained earnings					
Appropriated for legal reserve	32	73,425,771	52,446,701	73,425,771	52,446,701
Unappropriated		788,332,096	622,021,944	807,303,669	334,571,908
Other components of equity		50,175,463	24,428,544	57,676,544	24,428,544
<b>Equity attributable to the company's shareholder</b>		<b>2,799,780,251</b>	<b>1,907,723,461</b>	<b>2,010,888,831</b>	<b>1,483,930,000</b>
Non - controlling interests		978,574,574	170,193,291	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>3,778,354,825</b>	<b>2,077,916,752</b>	<b>2,010,888,831</b>	<b>1,483,930,000</b>
<b>TOTAL LIABILITIES AND</b>					
<b>SHAREHOLDERS' EQUITY</b>		<b>9,350,038,310</b>	<b>6,168,710,450</b>	<b>4,859,877,283</b>	<b>3,567,888,024</b>

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

**JAY MART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Baht)

	Notes	CONSOLIDATED F/S		SEPARATE F/S	
		2015	2014	2015	2014
<b>REVENUES FROM SALES AND SERVICES</b>	35				
Sales		8,330,257,346	8,059,088,041	8,351,615,050	8,059,773,179
Income from debts collection and other services		694,875,423	487,556,418	-	-
Rental income		485,857,578	410,339,254	-	-
<b>Total revenues from sales and services</b>		<b>9,510,990,347</b>	<b>8,956,983,713</b>	<b>8,351,615,050</b>	<b>8,059,773,179</b>
<b>COSTS OF SALES AND SERVICES</b>					
Costs of sales		(7,352,902,578)	(7,026,423,288)	(7,352,902,578)	(7,026,423,288)
Costs of debts collection and other services		(314,787,193)	(228,282,937)	-	-
Costs of rent		(389,032,659)	(345,525,008)	-	-
<b>Total costs of sales and services</b>		<b>(8,056,722,430)</b>	<b>(7,600,231,233)</b>	<b>(7,352,902,578)</b>	<b>(7,026,423,288)</b>
<b>Gross profit</b>		<b>1,454,267,917</b>	<b>1,356,752,480</b>	<b>998,712,472</b>	<b>1,033,349,891</b>
Sales promotion income		357,878,015	273,093,208	358,629,750	263,495,870
Dividend income	35	-	-	65,249,959	40,499,964
Management fee	35	-	-	3,144,000	1,680,000
Gain (loss) from fair value adjustment					
of investment property		8,187,306	(2,793,568)	-	-
Other income		80,197,391	43,303,840	70,547,484	56,898,485
Gain from disposal of investment in subsidiary		-	-	454,246,154	-
<b>Profit before expenses</b>		<b>1,900,530,629</b>	<b>1,670,355,960</b>	<b>1,950,529,819</b>	<b>1,395,924,210</b>
Selling expenses		(764,739,163)	(767,911,430)	(791,555,346)	(770,735,762)
Administrative expenses	35	(561,201,582)	(359,388,218)	(327,156,274)	(289,220,146)
Reversal of allowance (allowance) for impairment of assets		14,600,000	(21,000,000)	-	-
<b>Total expenses</b>		<b>(1,311,340,745)</b>	<b>(1,148,299,648)</b>	<b>(1,118,711,620)</b>	<b>(1,059,955,908)</b>
Share of loss from investment in associated companies		(1,561,616)	-	-	-
<b>Profit before finance costs and income tax</b>		<b>587,628,268</b>	<b>522,056,312</b>	<b>831,818,199</b>	<b>335,968,302</b>
Finance costs		(135,644,249)	(72,127,424)	(65,053,192)	(54,997,070)
<b>Profit before income tax</b>		<b>451,984,019</b>	<b>449,928,888</b>	<b>766,765,007</b>	<b>280,971,232</b>
Income tax	33	(91,208,173)	(91,031,157)	(139,316,247)	(48,459,709)
<b>Profit for the year</b>		<b>360,775,846</b>	<b>358,897,731</b>	<b>627,448,760</b>	<b>232,511,523</b>

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

JAY MART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Item that will not be reclassified subsequently to</b>				
<b>profit or loss - net of tax</b>				
Surplus on revaluation of assets	33,248,000	-	33,248,000	-
Actuarial loss	(4,634,021)	-	(2,747,177)	-
<b>Item that will be reclassified subsequently to</b>				
<b>profit or loss - net of tax</b>				
Translation adjustment for foreign currency				
financial statements	(7,501,081)	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>				
<b>FOR THE YEAR</b>	381,888,744	358,897,731	657,949,583	232,511,523
<b>Profit for the year attributable to:</b>				
Equity holders of the company	322,637,341	328,744,320	627,448,760	232,511,523
Non - controlling interests	38,138,505	30,153,411	-	-
	360,775,846	358,897,731	627,448,760	232,511,523
<b>Total comprehensive income for the year attributable to:</b>				
Equity holders of the company	344,026,893	328,744,320	657,949,583	232,511,523
Non - controlling interests	37,861,851	30,153,411	-	-
	381,888,744	358,897,731	657,949,583	232,511,523
<b>Basic earnings per share</b>				
Profit (Baht per share)	0.62	0.67	1.20	0.47
Weighted average number of common share (Shares)	524,463,106	490,266,256	524,463,106	490,266,256

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

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

	Company's Shareholders' equity										(Unit : Baht)
	Notes	Issued and paid - up share capital	share premium	Surplus from change in proportion of investment in subsidiary company	Retained earnings			Other components of equity			
					Legal reserve	Unappropriated	Translation adjustments for foreign currency financial statements	Surplus on revaluation of assets	Total equity attributable to the Company's shareholders	Non - controlling interests	
<u>CONSOLIDATED F/S</u>											
Balance as at 1 January 2014		419,573,608	548,019,741	136,343,425	42,000,000	592,172,264	-	24,428,544	153,539,916	1,762,537,582	1,916,077,498
Increased share capital	30	104,889,498	-	-	-	-	-	-	-	104,889,498	104,889,498
Appropriated for legal reserve	32	-	-	-	10,446,701	(10,446,701)	-	-	-	-	-
Dividend paid	31	-	-	-	-	(288,447,939)	-	-	-	(288,447,939)	(288,447,939)
Dividend paid from subsidiary		-	-	-	-	-	-	-	(13,500,036)	-	(13,500,036)
Total Comprehensive income for the year		-	-	-	-	328,744,320	-	-	30,153,411	328,744,320	358,897,731
Balance as at 31 December 2014		524,463,106	548,019,741	136,343,425	52,446,701	622,021,944	-	24,428,544	170,193,291	1,907,723,461	2,077,916,752
Balance as at 1 January 2015											
- as previously reported		524,463,106	548,019,741	136,343,425	52,446,701	643,177,358	-	24,428,544	170,193,291	1,928,878,875	2,099,072,166
Effect from correction of errors	5	-	-	-	-	(21,155,414)	-	-	-	(21,155,414)	(21,155,414)
Balance as at 1 January 2015 - as restated		524,463,106	548,019,741	136,343,425	52,446,701	622,021,944	-	24,428,544	170,193,291	1,907,723,461	2,077,916,752
Increased share capital - subsidiary		-	-	-	-	-	-	-	-	-	1,029,292,730
Disposal of investment in subsidiary		-	-	-	-	-	-	-	-	-	162,050,187
Surplus from change in proportion of investment in subsidiary company	17.1	-	-	679,020,649	-	-	-	-	(406,573,445)	679,020,649	272,447,204
Appropriated for legal reserve	32	-	-	-	20,979,070	(20,979,070)	-	-	-	-	-
Dividend paid	31	-	-	-	-	(130,990,752)	-	-	-	(130,990,752)	(130,990,752)
Dividend paid from subsidiary		-	-	-	-	-	-	-	(14,250,040)	-	(14,250,040)
Total Comprehensive income for the year		-	-	-	-	318,279,974	(7,501,081)	33,248,000	37,861,851	344,026,893	381,888,744
Balance as at 31 December 2015		524,463,106	548,019,741	815,364,074	73,425,771	788,332,096	(7,501,081)	57,676,544	978,574,574	2,799,780,251	3,778,354,825

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

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

	Notes	Issued and paid - up share capital	share Premium	Retained earnings		Other component of equity	Total	(Unit : Baht)
				Legal reserve	Unappropriated			
				Surplus on revaluation of assets				
<b><u>SEPARATE F/S</u></b>								
<b>Balance as at 1 January 2014</b>								
Increased share capital	30	419,573,608	548,019,741	42,000,000	400,955,025	24,428,544	1,434,976,918	
Appropriated for legal reserve	32	-	-	10,446,701	(10,446,701)	-	-	
Dividend paid	31	-	-	-	(288,447,939)	-	(288,447,939)	
Total Comprehensive income for the year		-	-	-	232,511,523	-	232,511,523	
<b>Balance as at 31 December 2014</b>		<b>524,463,106</b>	<b>548,019,741</b>	<b>52,446,701</b>	<b>334,571,908</b>	<b>24,428,544</b>	<b>1,483,930,000</b>	
<b>Balance as at 1 January 2015</b>								
Appropriated for legal reserve	32	-	-	52,446,701	334,571,908	24,428,544	1,483,930,000	
Dividend paid	31	-	-	20,979,070	(20,979,070)	-	-	
Total Comprehensive income for the year		-	-	-	(130,990,752)	-	(130,990,752)	
<b>Balance as at 31 December 2015</b>		<b>524,463,106</b>	<b>548,019,741</b>	<b>73,425,771</b>	<b>807,303,669</b>	<b>33,248,000</b>	<b>657,949,583</b>	<b>2,010,888,831</b>

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

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

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
<b>Cash flows from operating activities:</b>				
Income before income tax	451,984,019	449,928,888	766,765,007	280,971,232
<b>Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities:</b>				
Bad debt and allowance (reversal of allowance) for doubtful accounts	109,065,465	16,065,182	(1,082,859)	(1,436,037)
Allowance for obsolete inventories	1,761,757	1,067,455	1,761,757	1,067,455
Inventories written off	-	236,280	-	236,280
Loss (Gain) from fair value adjustment of investment property	(8,187,306)	2,793,568	-	-
Gain on disposal of investment in subsidiary	-	-	(454,246,154)	-
Share of loss from investment in associated companies	1,561,616	-	-	-
Unrealised gain on fair value adjustment on temporary investment	(410,469)	-	-	-
Depreciation and amortization	179,997,807	151,829,266	138,685,163	127,862,827
Allowance (reversal of allowance) for impairment of assets	(14,600,000)	21,000,000	-	-
Loss on disposal of fixed assets	20,356,216	4,264,707	20,223,604	4,129,308
Unrealized gain on exchange rate	(650,226)	-	(650,226)	-
Interest income	(19,148,263)	(6,616,186)	(106,671)	(2,009,218)
Interest expense	135,644,249	72,127,424	65,053,192	54,997,070
Dividend income	-	-	(65,249,959)	(40,499,964)
Employee benefit obligation expenses	770,028	1,194,987	296,234	782,187
<b>Cash provided from operating activities before changes in operating assets and liabilities</b>	858,144,893	713,891,571	471,449,088	426,101,140
<b>Decrease (increase) in operating assets:</b>				
Trade accounts receivable and other receivable	(50,065,518)	50,116,164	(49,321,927)	58,521,645
Inventories	(177,091,809)	141,984,295	(177,091,809)	141,984,295
Accrued income	50,210,792	11,766,250	53,960,313	14,330,283
Advance payments for purchasing goods	24,584,132	(15,406,428)	24,584,132	(15,406,428)
Other receivable - subsidiary companies	-	-	(19,232,465)	(107,700)
Refundable value added tax	(35,997,875)	34,850,107	(8,245,079)	65,666,388
Other current assets	1,877,586	31,451,360	(11,175,999)	26,975,855
Hire - purchase receivables	14,117,592	16,696,889	-	-
Loan receivables	(610,106,594)	(22,861,292)	-	-
Rental deposit to subsidiary company	-	-	1,054,261	(1,425,168)
Investments in accounts receivable	(908,478,660)	(1,098,877,685)	-	-
Other non - current assets	39,677,931	(21,299,955)	12,632,504	(7,051,975)
<b>Increase (decrease) in operating liabilities:</b>				
Trade accounts payable - genaral suppliers	(267,116,659)	(162,160,089)	(107,328,954)	(79,341,205)
- related company	3,209,084	-	3,209,084	-
Other payables - subsidiary companies	-	-	339,382	(288,648)
Accrued expenses	59,578,638	(1,977,365)	39,571,859	(11,542,478)
Other current liabilities	13,578,055	9,721,170	(12,613,455)	5,539,185
Rental deposits from subsidiary companies	-	-	893,914	2,368,479
Other non - current liabilities	15,349,694	29,135,880	2,805,048	755,265
<b>Cash provided from (used in) operations</b>	(968,528,718)	(282,969,128)	225,489,897	627,078,933

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



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

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
<b>Cash provided from (used in) operations (continued)</b>				
Cash received from interest	17,466,644	6,930,086	168,829	2,071,353
Cash paid for interest	(132,091,257)	(75,532,532)	(65,606,240)	(54,882,645)
Income tax paid	(186,919,080)	(108,788,493)	(129,556,891)	(77,793,981)
<b>Net cash provided from (used in) operating activities</b>	<b>(1,270,072,411)</b>	<b>(460,360,067)</b>	<b>30,495,595</b>	<b>496,473,660</b>
<b>Cash flows from investing activities:</b>				
Decrease in short - term loan to subsidiary company	-	-	-	48,000,000
Decrease in restricted deposits with financial institutions	102,063	488,534	-	-
Cash paid for temporary investment	(200,000,000)	-	-	-
Cash paid for investments in - subsidiaries companies	-	-	(276,232,779)	(226,517,000)
- associated company	(966,017,308)	(18,400,000)	(946,017,308)	-
Proceeds from disposal of assets	1,215,407	5,991,162	745,836	5,742,001
Proceeds from disposal of leasehold right	1,945,525	-	1,945,525	-
Cash paid for purchase of assets	(147,795,846)	(171,572,558)	(79,176,319)	(116,128,885)
Cash paid for leasehold rights	(385,573,354)	(143,275,274)	-	(143,275,274)
Proceeds from disposal of investment in subsidiary	525,400,000	-	525,400,000	-
Cash paid for purchase investment property	(13,173,902)	(409,748,183)	-	-
Cash received from dividend	-	-	65,249,959	40,499,964
<b>Net cash used in investing activities</b>	<b>(1,183,897,415)</b>	<b>(736,516,319)</b>	<b>(708,085,086)</b>	<b>(391,679,194)</b>
<b>Cash flows from financing activities:</b>				
Increase in short - term loans from financial institutions	841,642,647	739,804,785	847,642,647	23,644,785
Repayment of liabilities under finance lease agreements	(735,422)	(1,535,531)	-	-
Proceed of long - term loans	437,190,000	628,440,000	-	-
Repayment of long - term loans	(285,310,821)	(35,036,896)	(27,637,107)	(25,879,988)
Proceed from share capital increment of subsidiary - non - controlling interests	1,029,292,730	-	-	-
Proceed from issuance of debentures	610,000,000	-	-	-
Dividend paid	(130,990,752)	(183,558,442)	(130,990,752)	(183,558,442)
Dividend paid from subsidiary company	(14,250,040)	(13,500,036)	-	-
<b>Net cash provided from (used in) financing activities</b>	<b>2,486,838,342</b>	<b>1,134,613,880</b>	<b>689,014,788</b>	<b>(185,793,645)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>32,868,516</b>	<b>(62,262,506)</b>	<b>11,425,297</b>	<b>(80,999,179)</b>
<b>Cash and cash equivalents - beginning of the year</b>	<b>136,598,601</b>	<b>198,861,107</b>	<b>86,983,393</b>	<b>167,982,572</b>
<b>Cash and cash equivalents - end of the year</b>	<b>169,467,117</b>	<b>136,598,601</b>	<b>98,408,690</b>	<b>86,983,393</b>
<b>Supplemental cash flows information:</b>				
Non-cash transactions				
A subsidiary company purchased investments in accounts receivable from financial institutions by installments not affecting the cash flows	27,366,003	164,150,041	-	-
Accounts payable for purchases of investment property	31,647,569	8,545,746	-	-
Asset acquired under finance lease agreement	-	2,437,729	-	-

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

**JAY MART PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2015**

**1. GENERAL INFORMATION**

Jay Mart Public Company Limited was incorporated as a Public Company in Thailand, and has been listed in the Stock Exchange of Thailand (SET). The Company is engaged in the trading of mobile phone, and related accessories. The Company's registered office is located at 325/7, J MART Tower, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok.

As at 31 December 2015 and 2014, the Company has major shareholders as follows:

<u>Name</u>	Percentage of Shareholding	
	2015	2014
Mr. Adisak Sukumvittaya	14.5	18.9
Miss Yuwadee Pong – acha	11.6	16.0
Miss Jutamas Sukumvittaya	9.4	7.8
Mr. Aekachai Sukumvittaya	7.8	7.5

The Company has following subsidiaries, indirect subsidiaries and associated companies with different businesses:

Company	Address	Type of businesses
<u>Subsidiary companies</u>		
JMT Network Services Public Company Limited	325/7, J MART Tower, 4 - 6 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	debts management and collection, providing finance leasing services, insurance broker services and consumer lendings
JAS Asset Public Company Limited	325/7, J MART Tower, 8 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	Property development
Jay Mart Holding Company Limited	325/7, J MART Tower, 4 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	Holding Company
Smart Item Company Limited	325/7, J MART Tower, 8 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	E-Commerce Business

Company	Address	Type of businesses
<u>Indirect subsidiaries</u>		
JMT Plus Company Limited	325/7, J MART Tower, 4 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	Debt collection business, leasing and consumer lendings
Jay Insurance Broker Company Limited	325/7, J MART Tower, 5 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	Insurance broker
J Asset Management Company Limited	325/7, J MART Tower, 4 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	Asset management
<u>Associated companies</u>		
Singer Thailand Public Company Limited	72, CAT Telecom Tower, 17 <sup>th</sup> floor, Charoenkrung Road, Bang Rak Sub – District, Bang Rak District, Bangkok	Sales electrical appliances, commercial products and others
J & P (Thailand) Company Limited	325/7, J MART Tower, 7 <sup>th</sup> floor, Ramkhamhaeng Road, Saphan Sung Sub - District, Saphan Sung District, Bangkok	Investment in Myanmar

At the Board of Directors meeting of the subsidiary company on 11 August 2015, the board approved the subsidiary company to invest in a new 85.00% subsidiary, JP Finance Company Limited, with registered share capital of MMK 600 million (equivalent to Baht 20 million) to engage in providing consumer lending service in the Republic of Myanmar. This subsidiary is in the process of company's establishment.

Jay Mart Holding Company Limited invests in newly established subsidiary, JPS Enterprise Company Limited ("JPS") which is incorporated in the Republic of Myanmar. JPS is engaged as a holding company with the total registered share of 1,750,000 shares at par value of MMK 300 per share, totalling of MMK 525 million (equivalent to Baht 17.50 million). The subsidiary will invest in 1,225,000 shares which is 70% of total registered shares. This subsidiary is in the process of company's establishment.

At the Board of Directors meeting held on 14 October 2015, the board approved the Company to register new subsidiary company, Smart Item Company Limited, with registered share capital of Baht 1 million to engage in E-commerce business in Thailand.

On 10 November 2015, JAS Asset Public Company Limited's common shares were approved for trading in the Stock Exchange of Thailand.

## 2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

### 2.1 Statement of compliance

The accompanying financial statements have been officially prepared in Thai in accordance with the Accounting Act B.E. 2543 and Thai Financial Reporting 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 conform to the official report in Thai.

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

### 2.2 New Thai Financial Reporting Standards

The Federation of Accounting Professions has issued new and revised TFRS effective for accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Company and subsidiaries' accounting policies as follow;

#### TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part of account for consolidated financial statements as included in TAS 27: Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company has control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

#### TFRS 12 Disclosure of interests in other entities

This standard requires entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.

#### TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other accounting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognized prospectively.

Based on the assessment, the management consider that the above standards do not have any significant impact on the current year financial statements.

In addition to the above new and revised TFRSs, the FAP has issued a number of other new and revised TFRSs which are effective for accounting periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRSs that may be relevant to the Company and subsidiaries' operations, are set out below.

<b>TFRS</b>	<b>Topic</b>
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture
TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 10 (revised 2015)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 25 (revised 2015)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease

<b>TFRS</b>	<b>Topic</b>
TSIC 29 (revised 2015)	Disclosure – Service Concession Arrangements
TSIC 31 (revised 2015)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

The Company and subsidiaries have made a preliminary assessment and believe that there will be no significant impact on the financial statements in the period of initial adoption.

## 2.3 Basis of consolidation

The consolidated financial statements include the separate financial statements of Jay Mart Public Company Limited and its subsidiaries which the Company can exercise control or holdings shares with voting right more than 50% as follow :

Name of Entity	Percentage of shareholding		Type of businesses
	2015	2014	
<u>Subsidiary companies</u>			
JMT Network Services Public Company Limited	55.88	75.00	debts management and collection, providing finance leasing services, insurance broker services and consumer lendings
JAS Asset Public Company Limited	67.50	99.99	Property development
Jay Mart Holding Company Limited	99.99	99.99	Holding Company
Smart Item Company Limited	99.99	-	E-Commerce Business

Name of Entity	Percentage of shareholding		Type of businesses
	2015	2014	
<u>Indirect subsidiaries</u>			
JMT Plus Company Limited	55.88	75.00	Debt collection business, leasing and consumer lending
Jay Insurance Broker Company Limited	55.88	75.00	Insurance broker
J Asset Management Company Limited	55.88	75.00	Asset management

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 preparation of separate financial statements for the same accounting transactions or accounting events.

The financial statements of the overseas associated are translated into Thai Baht using exchange rates at the statement of financial position date for assets and liabilities, and using the average exchange rates for revenues and expenses. The resultant differences are shown under the caption “Translation adjustment for foreign currency financial statements” under shareholders’ equity.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Cash and cash equivalents

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

Restricted deposits with banks are presented under non – current assets in the statement of financial position.

#### 3.2 Temporary investments

Temporary investments are the investment that the Company intends to hold no longer than one year. The temporary investment is presented at a fair value. The fair value is based on net assets value of the fund on the last business day of the year. The change of investment valuation are recognised as gain or loss in the statement of profit or loss.

On disposal of investments, the difference between net disposal proceeds and the carrying amount is recognised in the statement of profit or loss.

#### 3.3 Receivables and allowance for doubtful accounts

##### *Trade accounts receivable from sale and services*

Trade accounts receivable from sales and services are presented 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.

#### *Hire - purchase receivables*

Hire - purchase receivables are presented amount net of unearned interest income and allowance for doubtful accounts. The subsidiaries provided allowances for doubtful accounts based on receivables aging report which is calculated from hire - purchase receivables, after the deduction 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 probability of collection from debtors and selling of collaterals. In addition, the subsidiaries will consider the repayment ability of each debtor for overdue amounts.

The subsidiaries used basis for determination of allowance for doubtful accounts are the number of overdue installment periods, less unearned interest income and collaterals as follows :

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

Should subsidiary consider account receivables to be un-collectable, they will write them off from the accounts.

#### *Loan receivables*

Loan receivables would initially be recognized at an amount equal to the net investment.

The subsidiaries used basis for determination of allowance for doubtful accounts for loan receivables as follows :

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

### 3.4 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 allowance for obsolete, slow - moving and defective inventories, where necessary, from the consideration of market situation and the aged inventories as follows :



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

### 3.5 Foreclosed assets

Foreclosed assets are assets seized from hire - purchase receivables and presented at the lower of carrying amount (which mostly comprises the net outstanding balance) or fair value less costs to sell.

### 3.6 Investments in accounts receivable

The investments in accounts receivable represent the subsidiary purchased non-performing receivables of financial institutions and credit service companies at discounted values from bidding for debts management and collection. Under the purchase contracts of non - performing receivables, the subsidiary takes all the risks in the collection without recourse. Such investments in accounts receivable are presented at purchase cost less amortized costs and allowance for impairment (if any). The subsidiary recognized loss on impairment of investment when it anticipates discounted cash flows to the present values of receivables are lower than carrying value.

### 3.7 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 are 100% owned by the Company under the control of the Company's management. Investment in associated companies are accounted for in consolidated financial statements by equity method. When there is an indication of impairment on investment, the Company will recognize loss on impairment as expense immediately in the statement of profit or loss.

### 3.8 Investment property

Investment property comprise land and freehold property that are held for rentals yields, are measured initially at cost, including expenditure that is directly attributable to the acquisition of the investment property. Subsequent to initial recognition, such investment property is presented at fair value which appraised by independent appraiser and will be appraised every year. The Company's management will review fair value to reflect market conditions at the end of the reporting period. The investment property that available for rentals is measured by income approach. The gain or loss arising from changes in the value of investment property is recognised in the statement of profit or loss.

Upon disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the year when the asset is derecognised.

### 3.9 Land, Buildings and Equipment

Buildings and equipment are presented at cost less accumulated depreciation and allowance for impairment of assets (if any). 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.

Land is presented as revalued amount. The revalued amount is the fair value determined on the basis of the asset's existing use at the date of revaluation less any impairment loss (if any).

The Company and subsidiaries depreciated 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 :

	Years
Building and building improvements	10 - 20
Office furniture	5
Office 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 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 compared to the selling price and are taken into account in statement of profit or loss.

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

### 3.10 Borrowing cost

The Company and subsidiary capitalized interest on loans for the construction of office building and investment property as part of the costs of such assets. The Company and subsidiary ceased capitalizing related interest as part of acquisition cost when the constructions of assets are completed.

### 3.11 Computer software

Computer software with finite useful lives is recorded at costs less accumulated amortization and allowance for impairment (if any). Amortization is charged to the statement of profit or loss on a straight-line basis over the estimated useful lives of the computer software for 5 years.

### 3.12 Leasehold rights

Leasehold rights and buildings are presented at cost less accumulated amortization and allowance for impairment (if any). Amortisation is charged to the statement of profit or loss on a straight-line method over economic benefit of the leasehold rights for 9 – 30 years.

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

Leases 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 finance lease agreements. The financial expense is charged to statement of profit or loss over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets.

Leases of assets 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 profit or loss 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 included in building and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar assets. Rental income is recognised on a straight-line basis over the lease period.

### 3.15 Impairment of assets

At the reporting 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 estimates 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 statement of profit or loss. An asset recoverable amount is the higher of fair value less costs to sell or value in use.

### 3.16 Revenue recognition

- Sales are recognized upon delivery of merchandises to customers, net of sales taxes and discounts.
- Interest income and other income are recognized on an accrual basis.

- Rental income and facilities services income are recognized on a straight – line basis over lease agreement period.
- Sales promotion income is recognized as income when the Company obtained approval from suppliers. The subsidiary recognized sale promotion revenues over the period of the agreement, using effective rate method.
- Dividend income is recognized upon the declaration of the paying company.
- The subsidiary companies recognized service income from debts collection when services are rendered to customers based on the agreed rates.
- The subsidiary companies recognized revenues from investments in accounts receivable by using effective interest rates (expected return on debts collection) calculated from outstanding investments in accounts receivable. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be amortised from the value of investments in accounts receivable for each period. If investments in accounts receivable are fully amortised, the subsidiary companies will recognize such cash collection as revenues and recognized loss on impairment immediately when there is an indication of significant decrease in estimated cash flows.
- Penalty income, follow up fee, and interest income from transferring right of performing claim contracts are recognized as revenues when the amounts are invoiced. The subsidiary companies ceased to recognize the revenue when the accounts receivable are transferred to the group that cease the recognition of income.
- The subsidiary companies recognized hire - purchase interest income as income over the period of the agreement, using effective rate method, with income recognized when the installments fall due irrespective of when actual collection is made. The subsidiary companies ceased recognizing hire - purchase interest income when the contract receivables are overdue for more than 3 installment periods except where there is an indication of receivables' inability to repay, which income recognition is ceased immediately.
- The subsidiary companies recognized interest income from loan by using effective interest rate method over the installment period. The subsidiaries ceased recognizing interest income from loan when the contract receivables are overdue for more than 3 installment periods except where there is an indication of receivables' inability to repay, which income recognition is ceased immediately.

### 3.17 Customer loyalty programmes

The Company offers customer loyalty programmes for members card as a part of sales and services. The member will receive loyalty points that could be redeemed in the future by customers for selected goods, services or discount with no consideration paid based on terms and conditions as specified in the card.

Under TFRIC 13, credits granted to a customer are considered as a separately identifiable component of the sale transaction. The consideration received in respect of the sale transaction is allocated between the initial sale of goods or supply of services, for which the corresponding revenue is recognized immediately in income and credits awarded and redeemable in the future, for which the corresponding revenue is deferred until the customer redeems the awards and the Company fulfils its obligations to supply the awards.

The Company initially records loyalty points to deferred revenue and recognizes as income when customer redeems the awards and the company fulfils its obligation to supply the awards.

### 3.18 Employee benefits

#### *Short-term employee benefits*

The Company and subsidiaries recognised salaries, wages, bonuses and contributions to the social security fund 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 other privileges.

#### *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 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 to employees upon retirement under Labor Law. The Company and subsidiaries treat these severance payment obligation as defined benefit plan.

The obligation under the defined benefit plan is determined by a 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 or losses for defined benefit plan are presented in other comprehensive income.

### 3.19 Income tax

Income tax expense for the year comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

#### *Current income tax*

Current income tax is the expected tax payable or claimable on the taxable income or loss for the year, 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 tax*

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

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that the related tax benefit will be realized.

#### 3.20 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 profit or loss.

#### 3.21 Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### 3.22 Share premium

The Company recorded cash received in excess of the par value of the shares issued as share premium in the statement of financial position, share premium are deducted from any transaction costs associated with the issuing of shares and related income tax benefits.

#### 3.23 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.

#### 3.24 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.

#### 3.25 Basic earnings per share

Basic earnings per share are determined by dividing profit for the year by the weighted average number of common shares outstanding during the year.

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

#### 3.26 Forward exchange contracts

Payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling on the reporting date. Unrealized gains and losses from the translation are included in the statement of profit or loss.

#### 3.27 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 JUDGEMENTS

The preparation of the financial statements requires management undertake judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgements are as follow:

#### 1. Impairment of receivables, loan receivables and investments in accounts receivable

The Company and subsidiary companies set allowance for doubtful accounts to reflect impairment of receivables, loan receivables and investments in accounts receivable resulting from non - collection of receivables. The estimated losses are based on uncertainty in the collection and consideration of the management.

#### 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.

#### 3. Impairment of investment

The Company and subsidiary companies treat investments as impaired when there has been a significant or prolonged decline in the fair value below their costs. The determination of what is "significant" or "prolong" requires management judgement.

4. Investment property

The subsidiary companies presented investment property at the fair value which appraised by an independent appraiser, and recognises changes in the fair value in profit or loss. The valuation involves certain assumptions and estimates.

5. Buildings and equipment and computer software

Management regularly determines the estimated useful lives and residual values of the Company's and subsidiaries' building and equipment and computer software and will revise the depreciation and amortization charges where the useful lives and residual values previously estimated have changed or subject to be written down for impairment or when asset is no longer in used.

6. Impairment of assets

The Company and subsidiary companies 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 asset, the management determine the estimated recoverable amount.

7. Estimated cash in flows from investment in accounts receivable

The subsidiary companies estimated future cash collection from investments in accounts receivable based on quality, type, aging of receivables and historical information of debt collection. The total estimated future cash collection shall not exceed anticipated initial cash in flows which management had expected in bidding. The subsidiary assess the periods of collection of investments in accounts receivable for 4 - 5 years.

8. Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company and subsidiary companies' future taxable income against which the deductible temporary differences can be utilized. In addition, management judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

9. Post-employment benefits

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. Actual post-retirement costs may ultimately differ from these estimates.



## 5. CORRECTION OF ERRORS

The Company has restated the consolidated financial statements because a subsidiary reviewed the financial information after the consolidated financial statements for the year ended 31 December 2014 has been prepared which the impacts are as follow:

- A subsidiary reviewed the impairment of assets which recognized in the subsidiary's financial statements;
- A subsidiary adjusted the cost of investment property as a result of loss on fair value adjustment;
- A subsidiary under recorded selling expenses;
- A subsidiary reviewed the classification of lease for assets.

The effect of correction of errors as mentioned above to the consolidated statement of financial position as at 31 December 2014 and statement of profit or loss and other comprehensive income for the year then ended as comparative information are as follows:

		(Unit : Thousand Baht)	
	Effects	As previously reported	As restated
<b><u>Statement of Financial Position</u></b>			
<b>Assets</b>			
Trade accounts receivable and other receivable - net	Decrease	221,098	216,538
Investment property	Decrease	575,880	498,200
Property, plant and equipment - net	Decrease	757,652	748,862
Leasehold right - net	Increase	348,601	420,933
Other non - current assets	Increase	320,059	319,146
<b>Liabilities</b>			
Liabilities under finance lease agreements			
- current portion	Increase	379	735
Construction payable	Increase	-	8,546
Accrued expenses	Increase	64,938	66,438
Income tax payable	Increase	30,380	32,079
Other current liabilities	Decrease	42,497	37,937
Liabilities under finance lease agreements - net	Increase	32	1,014
Deferred tax liabilities	Decrease	9,573	2,594
<b>Shareholders' equity</b>			
Retained earnings	Decrease	643,177	622,022

	Effects	As previously reported	As restated
<b><u>Statement of profit or loss and other comprehensive income</u></b>			
Fair value of investment property adjustment	Decrease	11,100	(2,793)
Impairment of assets	Increase	-	21,000
Selling expenses	Increase	766,411	767,911
Administrative expenses	Decrease	378,911	359,388
Finance costs	Increase	72,081	72,127
Income tax	Decrease	96,311	91,031
Earnings per share	Decrease	0.71	0.67

## 6. CASH AND CASH EQUIVALENTS

The outstanding balances as at 31 December 2015 and 2014 are as follows :

	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Cash on hand	32,800	28,000	-	-
Undeposited collection from sales	35,763,308	33,171,372	35,763,308	33,171,372
Bank deposits - current accounts	103,712,448	76,445,756	49,189,572	51,563,255
Bank deposits - saving accounts	29,958,561	26,953,473	13,455,810	2,248,766
Total	169,467,117	136,598,601	98,408,690	86,983,393

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

## 7. TEMPORARY INVESTMENT

As at 31 December 2015 and 2014, the subsidiary has temporary investment as follows:

	CONSOLIDATED F/S	
	2015	2014
Balance as at 1 January	-	-
Purchase	200,000,000	-
Change in fair value of trading security	410,469	-
Balance as at 31 December	200,410,469	-

## 8. TRADE ACCOUNTS AND OTHER RECEIVABLES

The aged balances of receivables as at 31 December 2015 and 2014 are as follows :

Ages of receivables			(Unit : Baht)	
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Not yet due	247,585,519	199,734,393	236,008,924	186,316,359
Past due				
Less than 3 months	59,332,608	51,072,079	49,435,866	45,731,490
3 - 6 months	2,779,867	6,320,268	378,677	6,281,512
6 - 12 months	3,127,183	9,737,957	2,716,887	9,598,925
Over 12 months	10,722,488	1,592,037	10,657,407	1,482,136
Total	323,547,665	268,456,734	299,197,761	249,410,422
Less : Allowance for doubtful accounts	(8,369,427)	(9,216,228)	(8,308,210)	(8,925,656)
Net	315,178,238	259,240,506	290,889,551	240,484,766

The balances of receivables classified by type of business are as follows :

			(Unit : Baht)	
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Trade accounts receivable from sales	254,233,435	194,020,369	254,233,435	194,020,369
Trade accounts receivable from sales under hire purchase agreements	8,756,412	11,683,014	8,756,412	11,683,014
Trade accounts receivable from rental and services	11,284,241	5,928,074	944,393	1,004,684
Trade accounts receivable from debt collection services	14,010,056	14,122,922	-	-
Other receivables	35,263,521	42,702,355	35,263,521	42,702,355
Total	323,547,665	268,456,734	299,197,761	249,410,422
Less : Allowance for doubtful accounts	(8,369,427)	(9,216,228)	(8,308,210)	(8,925,656)
Net	315,178,238	259,240,506	290,889,551	240,484,766

The Company and subsidiaries regularly evaluate risk factor from the collection of receivables and do not expect to incur loss from debt collection.

## 9. INVENTORIES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Inventories	1,304,401,452	1,127,309,643	1,304,401,452	1,127,309,643
Less : Allowance for obsolete inventories	(19,340,425)	(17,578,668)	(19,340,425)	(17,578,668)
Inventories – net	<u>1,285,061,027</u>	<u>1,109,730,975</u>	<u>1,285,061,027</u>	<u>1,109,730,975</u>

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

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE F/S	
	2015	2014
Balance as at 1 January	17,578,668	16,511,214
Add : Additional provision for obsolete inventories	19,340,425	17,578,668
Less : Reversal of allowance for obsolete inventories	(17,578,668)	(16,511,214)
Balance as at 31 December	<u>19,340,425</u>	<u>17,578,668</u>

## 10. ACCRUED INCOME

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Accrued income from sales and services	45,596,510	41,466,198	28,206,194	27,386,180
Accrued subsidy income on goods purchases	221,509,284	259,041,153	221,509,284	259,041,153
Accrued promotion income	53,058,302	70,368,918	53,058,302	70,368,918
Others	2,772,114	589,114	-	-
Total	<u>322,936,210</u>	<u>371,465,383</u>	<u>302,773,780</u>	<u>356,796,251</u>

## 11. 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.

## 12. HIRE - PURCHASE RECEIVABLES

As at 31 December 2015 and 2014, the subsidiary had receivables under hire - purchase financing services totalling Baht 58.92 million and Baht 73.04 million, respectively, covering the periods of 1 - 6 years. The interest rates are fixed as specified in hire - purchase agreements. Hire - purchase receivables are presented at outstanding balances net of unearned interest 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	
	2015	2014	2015	2014	2015	2014
Hire - purchase receivables	32,093,307	33,887,889	39,540,384	55,180,458	670	670
Less : Unearned interest income	(7,831,985)	(8,753,075)	(4,881,004)	(7,276,978)	(670)	(670)
Total	24,261,322	25,134,814	34,659,380	47,903,480	-	-
Less : Allowance for doubtful accounts	(14,847,456)	(11,142,659)	(20,728,073)	(15,131,437)	-	-
Net	9,413,866	13,992,155	13,931,307	32,772,043	-	-

Aged hire – purchase receivables and details of allowance for doubtful accounts are as follow :

(Unit : Baht)

	CONSOLIDATED F/S				
	2015				
		Receivable net of unearned interest income	Receivable used for computation of allowance for doubtful accounts	% of allowance for doubtful accounts	Allowance for doubtful accounts
Hire – purchase receivables	Number of agreements				
Current	62	9,129,316	625,938	1	6,259
Overdue for 1 period	13	2,089,891	243,986	1	2,440
Overdue for 2 - 3 periods	36	6,909,347	836,020	2	16,720
Overdue for 4 - 6 periods	16	2,657,599	462,233	20	92,447
Overdue for 7 - 12 periods	25	5,228,036	5,208,243	50	2,604,121
Overdue for over 12 periods	154	32,906,513	32,853,542	100	32,853,542
Total	306	58,920,702	40,229,962		35,575,529

(Unit : Baht)

	CONSOLIDATED F/S				
	2014				
		Receivable net of unearned interest income	Receivable used for computation of allowance for doubtful accounts	% of allowance for doubtful accounts	Allowance for doubtful accounts
Hire – purchase receivables	Number of agreements				
Current	86	16,980,342	1,708,097	1	17,081
Overdue for 1 period	37	9,030,108	1,231,645	1	12,316
Overdue for 2 - 3 periods	54	13,326,087	1,889,758	2	37,795
Overdue for 4 - 6 periods	21	5,544,799	960,691	20	192,138
Overdue for 7 - 12 periods	20	4,202,321	4,193,374	50	2,096,687
Overdue for over 12 periods	110	23,954,637	23,918,079	100	23,918,079
Total	328	73,038,294	33,901,644		26,274,096

The subsidiaries company provided 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 hire - purchase receivables deducted by unearned interest income and collaterals (if any). 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 receivables 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 the Federation of Accounting Profession (FAP) with the approval of the Securities and Exchange Commission. The Company and subsidiary have a policy to set up allowance for doubtful accounts based on consideration of the current status, ability to make payments of receivables, statistic, experience and damage information. The management believes that the Company and subsidiary have set up allowances for doubtful accounts adequately. As at 31 December 2015 and 2014, the recorded allowance for doubtful accounts are less than the amount computed under FAP guideline of Baht 5.42 million and Baht 7.42 million, respectively.

### 13. LOAN RECEIVABLES

As at 31 December 2015 and 2014, the Company and subsidiary had loan receivables totalling Baht 632.97 million and Baht 22.86 million, respectively, covering the periods of 1 – 4 years. The interest rates are fixed as specified in loan agreements. The outstanding of loan receivables are as follow:

(Unit : Baht)

	CONSOLIDATED F/S					
	Due within one year		Due over one year but not over five years		Due over five years	
	2015	2014	2015	2014	2015	2014
Loan receivables	405,259,872	21,825,076	341,453,931	4,070,567	643,678	-
Less : Unearned interest income	(77,275,391)	(2,684,875)	(36,928,940)	(349,476)	(185,266)	-
Total	327,984,481	19,140,201	304,524,991	3,721,091	458,412	-
Less : Allowance for doubtful accounts	(13,616,283)	-	(1,571,696)	-	-	-
Net	314,368,198	19,140,201	302,953,295	3,721,091	458,412	-

Aged loan receivables and details of allowance for doubtful accounts are as follows:

(Unit : Baht)

	CONSOLIDATE F/S		
	31 December 2015		
	Loan receivables	% of allowance for doubtful accounts	Allowance for doubtful accounts
Current	517,575,485	1	5,175,755
Overdue 1 period	53,712,402	1	537,124
Overdue 2 – 3 period	53,281,385	2	1,065,627
Overdue 4 – 6 period	4,351,258	100	4,351,258
Overdue 7 – 12 period	3,803,374	100	3,803,374
Overdue more than 12 period	254,841	100	254,841
Total	632,978,745		15,187,979

#### 14. OTHER CURRENT ASSETS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Cash cards	27,305,144	25,304,362	27,305,144	25,304,362
Prepaid expenses	28,433,818	15,659,691	17,259,247	5,901,397
Undue input vat	3,812,668	8,778,001	2,065,997	1,037,396
Others	31,979,241	40,959,331	20,119,640	22,170,668
Total	91,530,871	90,701,385	66,750,028	54,413,823

#### 15. INVESTMENTS IN ACCOUNTS RECEIVABLE

The investments portfolio classified by group of receivables as at 31 December 2015 and 2014 are as follow :

	(Unit : Baht)			
	CONSOLIDATED F/S			
	2015		2014	
	No. of contracts (Thousand)	Amount	No. of contracts (Thousand)	Amount
Accounts receivable - Hire purchases	805,012	1,612,102,872	642,847	1,021,827,720
Accounts receivable - Personal loans	1,725,748	1,319,583,957	1,378,660	974,014,445
Total	2,530,760	2,931,686,829	2,021,507	1,995,842,165
Less : Allowance for doubtful accounts		(102,133,079)		(16,550,936)
Net		2,829,553,750		1,979,291,229

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

	(Unit : Baht)	
	CONSOLIDATED F/S	
	2015	2014
Balance as at 1 January	1,995,842,165	732,814,439
Add : Purchase of investments	1,319,432,105	1,613,322,094
Less : Portion decreased from cash collection during the year	(383,587,441)	(350,294,368)
Balance as at 31 December	2,931,686,829	1,995,842,165

The subsidiaries company expect to collect cash from the investments of accounts receivable of Baht 940.14 million within one year.

## 16. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

As at 31 December 2015 and 2014, the subsidiaries' fixed deposits have been placed with banks as collaterals for bank overdraft facilities, bank guarantees issued by banks on behalf of the subsidiaries and security deposit for operation in insurance brokerage in accordance with Non-Life Insurance Act.B.E.2535, totalling Baht 2.06 million and Baht 2.16 million, respectively. These fixed deposits bear interest rates of 0.50 – 3.30 percent per annum.

## 17. INVESTMENTS IN RELATED COMPANIES

### 17.1 Investments in subsidiary companies

Company's name	Nature of business	Paid – up capital		Shareholding percentage		Cost		Dividend received during the years	
		<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Baht)	(Baht)	(%)	(%)	(Baht)	(Baht)	(Baht)	(Baht)
<b><u>Subsidiaries</u></b>									
JMT Network Services Public Co., Ltd.	Debts collection business, non – performing receivables management, providing finance leasing services, insurance broker and consumer lending	369,999,930	300,000,000	55.88	75.00	397,595,733	224,999,800	42,749,962	40,499,964
JAS Asset Public Co. Ltd.	Property Development	370,390,000	250,000,000	67.50	99.99	249,999,970	249,999,970	22,499,997	-
Jay Mart Holding Co., Ltd.	Holding Company	81,000,000	49,517,000	99.99	99.99	80,999,970	49,516,970	-	-
Smart Item Co., Ltd.	E-Commerce Business	1,000,000	-	99.99	-	1,000,000	-	-	-
Total						<u>729,595,673</u>	<u>524,516,740</u>	<u>65,249,959</u>	<u>40,499,964</u>

The movements of investment in subsidiaries are as follows:

	(Unit : Baht)	
	2015	2014
Balance as at 1 January	524,516,740	297,999,740
Add : Additional of investment	276,232,779	226,517,000
Less : Disposal of investment	(71,153,846)	-
Balance as at 31 December	<u>729,595,673</u>	<u>524,516,740</u>

### Investment in JMT Network Services Public Co., Ltd.

At the Annual General Shareholders Meeting of subsidiary held on 9 April 2015, the shareholders approved to increase the registered share capital from Baht 300 million (300,000,000 shares at Baht 1 par value) to Baht 444 million (444,000,000 shares at Baht 1 par value) for existing shareholders of the Company of 25,000,000 shares, for private placement of 45,000,000 shares, and the exercise warrant of 74,000,000 share. The Company paid for 18,749,948 shares at Baht 13 per share, totalling Baht 243.75 million to subsidiary on 22 May 2015.

In May 2015, after offering shares capital to private placement, the interest in a subsidiary was reduced from 75.00% to 65.88%.



At the Company's Board of Directors Meeting No.4/2015 held on 11 June 2015, the board approved to sell 37,000,000 common shares of JMT Network Services Public Company Limited, at the selling price of Baht 14.20. The Company recognized gain on disposal of investment in subsidiary of Baht 454.25 million in separate statement of profit or loss and other comprehensive income for the year ended 31 December 2015. After the completion of investment disposal, the Company's interest in a subsidiary as at 31 December 2015 was reduced to 55.88%. The Company recognized "surplus from change in proportion of investment in subsidiary" totalling of Baht 594.05 million in the consolidated statement of financial position as at 31 December 2015.

As at 31 December 2015, the fair value of the investment amounted to approximately Baht 2,522 million.

#### Investment in JAS Asset Public Co., Ltd.

At the Annual General Shareholders Meeting of subsidiary company held on 9 April 2014, the shareholders approved to increase the registered share capital from Baht 50 million (50,000,000 shares at Baht 1 par value) to Baht 370.39 million (370,390,000 shares at Baht 1 par value), for the Initial Public Offering to existing shareholders of the Company and existing shareholders of parent company. On 26 October 2015, the Securities and Exchange Commission approved the public offering of the subsidiary shares of 120,390,000 shares. The subsidiary company received all payment of this share capital increment. As a result of this capital increased, the proportion of the subsidiary company's shareholding decreased to 67.50 percent. The Company recognised "surplus from change in proportion of investment in subsidiary company" totalling Baht 84.97 million in the consolidated statement of financial position as at 31 December 2015.

As at 31 December 2015, the fair value of the investment amounted to approximately Baht 765 million.

#### Investment in Jay Mart Holding Co., Ltd.

During year 2015, the Company additional paid for share capital to a subsidiary of 3,545,000 shares at Baht 7.40 per share, totaling Baht 26.23 million and 525,000 shares at Baht 10 per share, totaling Baht 5.25 million, the additional paid totaling Baht 31.48 million.

#### Investment in Smart Item Company Limited

At the Board of Directors meeting held on 14 September 2015, the board approved the Company to register new subsidiary company, Smart Item Company Limited, with registered share capital of Baht 1 million to engage in E-commerce business in Thailand. This Company paid-up for share capital on 20 November 2015.

## Non – Controlling interests of subsidiary companies

Subsidiaries with material non-controlling interests are as follows:

Name	Proportion of ownership interests and voting rights held by the NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
	2015	2014	2015	2014	2015	2014
	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
JMT Networks Public Co., Ltd. and its subsidiaries.	44.12	25.00	32,481	30,153	736,198	170,193
JAS Asset Public Co., Ltd.	32.50	-	4,867	-	242,376	-

Subsidiary was paid dividend to NCI during the year 2015 of Baht 14.25 million. (2014: Baht 13.50 million)

Summarised financial information about material non - controlling interest of subsidiary companies, before elimination, is as follow:

	(Unit: Thousand Baht)			
	JMT Network Services Public Co., Ltd. and its subsidiaries		JAS Asset Public Co., Ltd.	
	2015	2014	2015	2014
% of Non – controlling interests	44.12	25.00	32.50	-
Current assets	1,677,104	647,147	232,965	40,347
Non – current assets	3,379,314	2,140,057	1,216,611	833,877
Total assets	5,056,418	2,787,204	1,449,576	874,224
Current liabilities	2,545,088	2,038,777	130,622	73,430
Non - current liabilities	716,420	2,851	573,181	401,020
Total liabilities	3,261,508	2,041,628	703,803	474,450
Equity attributable to the Company's shareholders	1,794,910	745,576	745,773	399,774
Non-controlling interests	791,914	186,394	242,376	-
Revenue	701,175	488,108	505,999	426,275
Profit for the year attributable to the Company's shareholders	53,925	87,908	53,169	54,794
Profit for the year attributable to non-controlling interests	33,155	30,153	4,984	-
Profit for the year	87,080	118,061	58,153	54,794
Other comprehensive income for the year	(1,527)	-	(360)	-
Total comprehensive income attributable to the Company's shareholders	53,072	88,546	52,926	54,794
Total comprehensive income attributable to non- controlling interests	32,481	29,515	4,867	-
Total comprehensive income for the year	85,553	118,061	57,793	54,794

(Unit: Thousand Baht)

	JMT Network Services Public Co., Ltd. and its subsidiaries		JAS Asset Public Co., Ltd.	
	2015	2014	2015	2014
Net cash provided from (used in)				
operating activities	(1,426,004)	(1,051,984)	79,885	103,222
Net cash used in investing activities	(44,634)	(29,361)	(581,663)	(435,093)
Net cash provided from financing activities	1,486,934	1,088,716	489,389	343,192
Net increase (decrease) in cash and cash equivalents	16,296	7,371	(12,389)	11,321

## 17.2 Investment in associated companies

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

		(Unit : Thousand Baht)						
Nature of business	Paid up Capital	Percentage of Investment		CONSOLIDATE F/S Equity Method		SEPARATE F/S Cost Method		
		2015	2014	2015	2014	2015	2014	
<b><u>Associated</u></b>								
J&P (Thailand) Co., Ltd.	Investment in Myanmar	100,000	40.00	40.00	39,171	40,000	-	-
Singer Thailand Public Co., Ltd.	Sales electrical appliances, commercial products and others	270,000	24.99	-	957,783	-	946,017	-
Total					996,954	40,000	946,017	-

### Investment in J&P (Thailand) Co., Ltd.

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

### Investment in Singer Thailand Public Co., Ltd.

On 5 June 2015, the Board of directors passed a resolution to approve the purchase of common shares of Singer Thailand Public Company Limited, which is engaged in sales electrical appliances, commercial products and others. The Company invested in 67,499,900 ordinary shares or 24.99 percent of total shares at purchase price of Baht 946.02 million.

Singer Thailand Public Company Limited is listed on the Stock Exchange of Thailand which incorporated and domiciled in Thailand. As at 31 December 2015, the fair value of the investment amounted to approximately Baht 2,390 million.

The consolidated financial statements as at 31 December 2015 include investment in associated company accounted for under the equity method of Baht 39.17 million, and share of loss from associated company under the equity method for the year then ended of Baht 13.33 million. Those financial statements are based on financial information compiled by the

management of such associated company which have not been reviewed by their auditor because that associated company are not under the control of the Company's management. However, the management of the Company believes that there would have been no significant variances had the financial statements of those associated company been reviewed by their auditor.

During the years, the Company recognised its share of comprehensive income from investments in associated companies in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Company's name	CONSOLIDATE F/S			
	Share of profit(loss) from investment in associated companies during the year		Share of other comprehensive income from investments in associated companies during the year	
	2015	2014	2015	2014
J&P (Thailand) Co., Ltd.	(13,327)	-	(7,501)	-
Singer Thailand Public Co., Ltd.	11,766	-	-	-
Total	(1,561)	-	(7,501)	-

Summarised financial information about material associated companies for the year ended as at 31 December 2015 are as follow:

(Unit: Thousand Baht)

	J & P (Thailand) Co., Ltd.	Singer Thailand Public Co., Ltd.
Current assets	82,802	2,095,190
Non – current assets	8,594	1,246,403
Total assets	91,396	3,341,593
Current liabilities	8,050	1,308,474
Non – current liabilities	-	455,083
Total liabilities	8,050	1,763,557
Net assets	83,346	1,578,036
Percentage of investment	45	24.99
Carrying amount of investment in associated companies	37,506	394,351
Goodwill	-	498,831
Customer relationships	-	80,751
Deferred tax liability	-	(16,150)
Other	1,665	-
Net	39,171	957,783
<b>Summarised information about comprehensive income</b>		
Revenue	220,679	3,394,598
Profit (loss) for the year	(20,185)	143,152
Other comprehensive income	-	-
Total comprehensive income for the year	(20,185)	143,152

## 18. INVESTMENT PROPERTIES

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

	Baht	
	2015	2014
Balance as at 1 January	498,200,000	234,239,995
Additions during the year	4,628,155	260,471,750
Transfer in	4,984,539	-
Capitalised interest	-	6,281,823
Fair value adjustment	8,187,306	(2,793,568)
Balance as at 31 December	516,000,000	498,200,000

The subsidiary company presented investment property at fair value based on the appraisal of an independent appraiser. The fair value has been determined based on Income approach. It is estimated based on discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of market conditions. The fair value also reflects any cash outflows that could be expected in respect of the property. The discount rate is 10% per annum.

The change of discount rate assumption increment 0.5% affect to the decrement of fair value amounting to Baht 34.50 million and change of discount rate assumption decrement 0.5% affect to the increment of fair value amounting to Baht 39.80 million.

During year 2015, rental income and expenditures presented in the statement of profit or loss were arisen from investment property that generated rental income of Baht 55.06 million and Baht 23.71 million, respectively. (2014: Baht 8.45 million and Baht 2.47 million, respectively).

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

As at 31 December 2015 and 2014, the subsidiary company has pledged its land and building for its credit line with commercial banks as collateral as described in Note 25.

## 19. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED F/S							(Unit : Baht)
	Land	Building and building improvements	Office furniture	Office equipment	Vehicles	Assets under installation	Building under construction	Total
<b>Cost</b>								
<b>As at 1 January 2014</b>	114,290,000	262,523,251	275,457,014	220,937,249	42,193,589	16,357,289	13,503,969	945,262,361
Increase	-	3,199,410	86,875,840	59,026,286	6,730,393	4,651,482	5,412,927	165,896,338
Decrease	-	(2,973,125)	(14,236,251)	(6,146,469)	(1,077,570)	(93,400)	-	(24,526,815)
Transferred in (out)	-	19,616,479	14,667,630	975,163	-	(15,744,438)	(18,916,896)	597,938
<b>As at 31 December 2014</b>	114,290,000	282,366,015	362,764,233	274,792,229	47,846,412	5,170,933	-	1,087,229,822
Increment appraisal	41,560,000	-	-	-	-	-	-	41,560,000
Increase	-	-	55,227,831	46,078,777	12,654,496	15,433,923	-	129,395,027
Decrease	-	-	(37,254,101)	(13,166,100)	(9,113,042)	-	-	(59,533,243)
Transferred in (out)	-	-	10,621,377	1,389,038	-	(16,957,792)	-	(4,947,377)
<b>As at 31 December 2015</b>	155,850,000	282,366,015	391,359,340	309,093,944	51,387,866	3,647,064	-	1,193,704,229
<b>Accumulated depreciation</b>								
As at 1 January 2014	-	16,217,974	60,455,501	101,813,910	28,916,422	-	-	207,403,807
Depreciation for the year	-	14,377,668	60,612,790	44,120,533	5,124,368	-	-	124,235,359
Decrease	-	(303,726)	(9,185,274)	(4,518,625)	(263,321)	-	-	(14,270,946)
<b>As at 31 December 2014</b>	-	30,291,916	111,883,017	141,415,818	33,777,469	-	-	317,368,220
Depreciation for the year	-	14,703,431	68,440,266	51,082,781	5,210,124	-	-	139,436,602
Decrease	-	-	(16,513,394)	(12,563,632)	(8,906,486)	-	-	(37,983,512)
Transferred in (out)	-	-	(51,026)	(67,026)	-	-	-	(118,052)
<b>As at 31 December 2015</b>	-	44,995,347	163,758,863	179,867,941	30,081,107	-	-	418,703,258

(Unit : Baht)

## CONSOLIDATED F/S

	Land	Building and building improvements	Office furniture	Office equipment	Vehicles	Assets under installation	Building under construction	Total
<b>Allowance for impairment</b>								
As at 1 January 2014	-	-	-	-	-	-	-	-
Increase	-	-	21,000,000	-	-	-	-	21,000,000
<b>As at 31 December 2014</b>	-	-	21,000,000	-	-	-	-	21,000,000
Reversal of allowance for impairment	-	-	(14,600,000)	-	-	-	-	(14,600,000)
<b>As at 31 December 2015</b>	-	-	6,400,000	-	-	-	-	6,400,000
<b>Net Book Value</b>								
As at 31 December 2014	114,290,000	252,074,099	229,881,216	133,376,411	14,068,943	5,170,933	-	748,861,602
<b>As at 31 December 2015</b>	155,850,000	237,370,668	221,200,477	129,226,003	21,306,759	3,647,064	-	768,600,971
<b>Depreciation for the year 2014</b>								
- Cost of services								11,346,076
- Administrative expenses								112,889,283
Total								124,235,359
<b>Depreciation for the year 2015</b>								
- Cost of services								14,448,585
- Administrative expenses								124,988,018
Total								139,436,603

(Unit : Baht)

	SEPARATE F/S						
	Land	Building and building improvements	Office furniture	Office equipment	Vehicles	Assets under installation	Building under construction
Cost							Total
<b>As at 1 January 2014</b>	114,290,000	202,523,251	230,025,171	181,458,880	31,812,986	14,051,910	847,666,167
Increase	-	3,199,410	71,914,180	25,882,437	4,292,664	2,856,217	113,557,835
Decrease	-	(2,973,125)	(13,998,715)	(5,263,713)	(1,077,570)	(93,400)	(23,406,523)
Transferred in (out)	-	19,616,479	12,362,251	975,163	-	(14,036,997)	-
<b>As at 31 December 2014</b>	114,290,000	282,366,015	300,302,887	203,052,767	35,028,080	2,777,730	937,817,479
Increment appraisal	41,560,000	-	-	-	-	-	41,560,000
Increase	-	-	32,643,339	15,647,318	11,318,318	14,619,434	74,228,409
Decrease	-	-	(36,641,506)	(8,820,483)	(7,966,121)	-	(53,428,110)
Transferred in (out)	-	-	13,294,927	1,384,414	-	(14,679,341)	-
<b>As at 31 December 2015</b>	155,850,000	282,366,015	309,599,647	211,264,016	38,380,277	2,717,823	1,000,177,778
<b>Accumulated depreciation</b>							
As at 1 January 2014	-	16,217,974	53,874,881	81,817,021	24,256,563	-	176,166,439
Depreciation for the year	-	14,377,668	52,384,001	33,906,563	3,176,867	-	103,845,099
Decrease	-	(303,726)	(9,101,627)	(3,866,540)	(263,321)	-	(13,535,214)
<b>As at 31 December 2014</b>	-	30,291,916	97,157,255	111,857,044	27,170,109	-	266,476,324
Depreciation for the year	-	14,703,431	57,829,945	34,142,904	3,110,923	-	109,787,204
Decrease	-	-	(16,055,186)	(8,486,842)	(7,948,986)	-	(32,491,014)
<b>As at 31 December 2015</b>	-	44,995,347	138,932,014	137,513,106	22,332,046	-	343,772,512
<b>Net Book Value</b>							
As at 31 December 2014	114,290,000	252,074,099	203,145,632	91,195,723	7,857,971	2,777,730	671,341,155
As at 31 December 2015	155,850,000	237,370,668	170,667,633	73,750,910	16,048,231	2,717,823	656,405,265



(Unit : Baht)

SEPARATE F/S

	Land	Building and building improvements	Office furniture	Office equipment	Vehicles	Assets under installation	Building under construction	Total
<b>Depreciation for the year 2014</b>								
- Cost of services								-
- Administrative expenses								103,845,099
Total								<u>103,845,099</u>
<b>Depreciation for the year 2015</b>								
- Cost of services								-
- Administrative expenses								109,787,203
Total								<u>109,787,203</u>

As at 31 December 2015 and 2014, 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 totaling Baht 97.4 million and Baht 94.2 million, respectively, (the Company's portions : Baht 84.4 million and Baht 78.9 million, respectively).

## 20. COMPUTER SOFTWARES

	(Unit : Baht)	
	CONSOLIDATED F/S	SEPARATE F/S
<b>Costs</b>		
<b>As at 1 January 2014</b>	60,838,562	42,664,014
Increase	5,542,899	-
<b>As at 31 December 2014</b>	66,381,461	42,664,014
Increase	18,400,819	4,947,910
Transferred in (out)	(181,822)	-
<b>As at 31 December 2015</b>	84,600,458	47,611,924
<b>Accumulated depreciation</b>		
<b>As at 1 January 2014</b>	21,483,813	14,871,294
Increase	7,474,745	3,898,566
<b>As at 31 December 2014</b>	28,958,558	18,769,860
Increase	9,088,476	4,317,189
Transferred in (out)	(37,061)	-
<b>As at 31 December 2015</b>	38,009,973	23,087,049
<b>Net Book Value</b>		
<b>As at 31 December 2014</b>	37,422,903	23,894,154
<b>As at 31 December 2015</b>	46,590,485	24,524,875
<b>Amortization for the year 2014</b>		
- Cost of services	1,023,357	-
- Administrative expenses	6,451,388	3,898,566
Total	7,474,745	3,898,566
<b>Amortization for the year 2015</b>		
- Cost of services	1,336,914	-
- Administrative expenses	7,751,562	4,317,189
Total	9,088,476	4,317,189

## 21. LEASEHOLD RIGHTS AND PREPAID RENT

(Unit : Baht)

	CONSOLIDATED F/S	SEPARATE F/S
<b>Costs</b>		
<b>As at 1 January 2014</b>	199,004,144	198,469,144
Increase	284,071,588	143,275,274
<b>As at 31 December 2014</b>	483,075,732	341,744,418
Increase	385,573,354	-
Transferred in (out)	(4,740,000)	(4,740,000)
<b>As at 31 December 2015</b>	863,909,086	337,004,418
<b>Accumulated amortization</b>		
<b>As at 31 December 2014</b>	42,023,594	42,023,594
Increase	20,119,161	20,119,161
<b>As at 31 December 2014</b>	62,142,755	62,142,755
Increase	31,472,728	24,580,770
Transferred in (out)	(2,762,130)	(2,762,130)
<b>As at 31 December 2015</b>	90,853,353	83,961,395
<b>Net Book Value</b>		
<b>As at 31 December 2014</b>	420,932,977	279,601,663
<b>As at 31 December 2015</b>	773,055,733	253,043,023
<b>Amortization for the year 2014</b>		
- Cost of services	-	-
- Administrative expenses	20,119,161	20,119,161
Total	20,119,161	20,119,161
<b>Amortization for the year 2015</b>		
- Cost of services	6,891,958	-
- Administrative expenses	24,580,770	24,580,770
Total	31,472,728	24,580,770

Leasehold right is part of land and buildings under long – term operating leases.

As at 31 December 2015 and 2014, the subsidiary company has pledged its building for its credit line with commercial banks as collateral as described in Note 25.

## 22. OTHER NON – CURRENT ASSETS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Prepaid construction costs	4,300,727	44,494,042	-	-
Deposits	274,139,868	274,651,768	156,350,239	168,982,743
Total	278,440,595	319,145,810	156,350,239	168,982,743

## 23. SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Promissory notes from financial institutions	3,309,757,764	2,468,115,117	2,407,257,764	1,559,615,117

Promissory notes payable bear interest at the rates of 2.65 – 4.25 percent and 2.85 – 4.75 percent per annum during the years 2015 and 2014, respectively.

As at 31 December 2015 and 2014, the Company has credit facilities covering letters of credit, forward exchange contracts and other credits totalling Baht 4,257 million and Baht 3,232 million, respectively, with interest rates ranging from 2.65 – 4.25 percent and 2.85 – 5.75 percent per annum, respectively.

As at 31 December 2015 and 2014, the Company and its subsidiaries have bank overdraft facilities totalling Baht 46 million (the Company's portion is Baht 24 million).

Short - term loans from financial institutions of the Company and its subsidiaries. During the years 2015 and 2014, the interest rates on bank overdraft are 7.37 – 7.68 percent per annum and 7.38 – 7.78 percent per annum, respectively.

## 24. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

		(Unit : Baht)	
		CONSOLIDATED F/S	
		2015	2014
Liabilities under finance lease and hire - purchase agreements			
Due within one year		464,382	821,266
Due over 1 year but not over 5 years		631,868	1,096,249
Total		1,096,250	1,917,515
<u>Less</u> Deferred interest		(82,270)	(168,113)
		1,013,980	1,749,402
<u>Less</u> Current portion		(412,426)	(735,422)
Net		601,554	1,013,980

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

## 25. LONG - TERM LOANS

		(Unit : Baht)	
		CONSOLIDATED F/S	
		2015	2014
Balance as at 31 December		1,086,906,970	935,027,791
Less : Current portion		(412,288,845)	(490,229,644)
Net		674,618,125	444,798,147

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.

Such loan from bank is collateralized by the mortgage of the Company's land with cost as at 31 December 2015 of Baht 83.75 million.

### JAS Asset Public Company Limited

The subsidiary company entered into loan agreement with a local bank for credit facility of Baht 270 million. This loan bears interest at MLR – 2.375% per annum, with grace period for principal repayment for one year with monthly payment of interest and principal and interest monthly repayment of Baht 3.85 million for remaining 84 periods, the agreement effective on September 2013 to September 2021.

During August 2014, the subsidiary company entered into loan agreement with another local bank for credit facility of Baht 290 million. This loan bears interest per annum at MLR – 1%, with grace period for principal repayment for 18 months with principal monthly repayment of Baht 2.85 million for remaining 119 periods, the agreement effective on August 2014 to July 2024.

The long – term loans of subsidiary company are collateralized by mortgaged its land and contingent buildings and fully guaranteed by the Company as described in Note 18.

Under the loan facilities agreements, the Company is committed to comply with financial covenants condition such as debt to equity ratio, etc.

#### JMT Network Services Public Company Limited

The subsidiary company entered into loan agreement with a local bank for credit facilities of Baht 427 million. This loan bears interest at 3.40% per annum, with grace period for principal repayment for six months with monthly payment of interest separately, after that repayment of principal and interest every 3 months for seventh installments. First and second installment repayments are 20% of total withdrawal amount, third to seventh installments repayment are 12% of total withdrawal amount and repay within 24 months starting after first withdrawal.

During November 2015, the subsidiary company entered into loan agreement with a same local bank for credit facilities of Baht 211 million. This loan bears interest at 3% per month THBFIX plus 1.35% per annum, with grace period for principal repayment for six months with monthly payment of interest separately, after that repayment of principal and interest every 3 months for seventh installments. First and second installment repayment are 20% of total withdrawal amount, third to seven installments repayment are 12% of total withdrawal amount and repay within 24 months starting after first withdrawal.

Under the loans agreement with bank, the subsidiary company is committed to comply with financial covenants condition such as debt to equity ratio and debt service coverage ratio, etc.

As at 31 December 2014, the subsidiary company unable to maintain debt to equity ratio at such level as stipulated in the loan agreement. The subsidiary company therefore, reclassified such balance of bank loan as current liabilities in the statement of financial position.

The movements in long – term loans are as follows:

	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Balance as at 1 January	935,027,791	341,624,687	195,744,700	221,624,687
Add : Additional borrowings	437,190,000	628,440,000	-	-
Less : Repayment	(285,310,821)	(35,036,896)	(27,637,107)	(25,879,987)
Balance as at 31 December	1,086,906,970	935,027,791	168,107,593	195,744,700

## 26. ACCRUED EXPENSES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Accrued services expenses	7,127,378	2,133,982	1,348,273	914,721
Accrued rental and utilities expenses	43,785,843	19,049,465	27,570,717	13,068,004
Accrued property tax	4,910,645	3,848,048	4,910,645	3,596,048
Accrued sale promotion expenses	3,508,420	7,367,016	10,300,528	4,268,016
Payables for equipment and supplies	13,083,353	2,200,525	9,789,594	1,451,199
Accrued commission	13,424,871	13,022,164	6,913,321	4,500,000
Others	44,543,983	18,816,619	15,782,397	9,245,628
Total	130,384,493	66,437,819	76,615,475	37,043,616

## 27. DEBENTURES

At the Annual General Meeting of the subsidiary company held on 9 April 2015, the shareholders approved to issue and offer the debentures for amount not exceeding Baht 2,000 million or the equivalent in any other currency, with a maximum terms of 20 years, by way of public offering and/or private placement and/or institutional investors in Thailand or offshore, in accordance with the relevant Notification of the Securities and Exchange Commission. Those debentures could be issued in one or several tranches as consideration.

On 23 July 2015, the subsidiary company issued unsecured and unsubordinated debentures with a principal amount of Baht 400 million with 2 years and 1 day tenure and with a face value of Baht 1,000. These bear interest at rate of 4.40 percent per annum which is payable quarterly. The debenture will be due for redemption on 23 July 2017.

On 11 September 2015, the subsidiary company issued unsecured and unsubordinated debentures with principal amount of Baht 100 million with 2 years tenure and with a face value of Baht 1,000. These bear interest at rate of 4.35 percent per annum which is payable quarterly. The debenture will be due for redemption on 11 September 2017.

On 22 October 2015, the subsidiary company issued unsecured and unsubordinated debentures with principal amount of Baht 110 million with 2 years and 14 days tenure and with a face value of Bath 1,000. These bear interest at rate of 4.30 percent per annum which is payable quarterly. The debenture will be due for redemption on 5 November 2017.

The subsidiary company used the proceed from issuance of debentures for working capital.

Movement of debentures during the years ended 31 December 2015 and 2014 in the consolidated financial statements are as follows :

		(Unit : Baht)	
		CONSOLIDATED F/S	
		2015	2014
Balance as at 1 January	-	-	-
Issuance of debentures	610,000,000	-	-
Balance as at 31 December	610,000,000	-	-

## 28. EMPLOYEE BENEFITS OBLIGATION

Movements in employee benefits obligation for the years ended 31 December 2015 and 2014 are as follows :

		(Unit : Baht)			
		CONSOLIDATED F/S		SEPARATE F/S	
		2015	2014	2015	2014
Employee benefits obligation at 1 January	21,077,417	19,047,024	16,704,343	15,260,047	
Current service cost	770,028	1,194,988	296,234	782,187	
Interest expense	341,599	835,405	141,175	662,109	
Remeasurement – actuarial loss	5,693,225	-	3,433,971	-	
Employee benefits obligation at 31 December	27,882,269	21,077,417	20,575,723	16,704,343	
Wholly unfunded	27,882,269	21,077,417	20,575,723	16,704,343	

Principal actuarial assumptions at the reporting date for the years ended 31 December 2015 and 2014 are as follows:

		(Unit : Baht)			
		CONSOLIDATED F/S		SEPARATE F/S	
		2015	2014	2015	2014
Discount rate	2.71 – 3.81 % per annum	4.16 – 4.27% per annum	2.71 % per annum	4.16 % per annum	
Future salary increment rate	8.08 - 9.94 % per annum	4.69 – 8.01% per annum	8.08% per annum	4.69% per annum	
Normal retirement age	55 years	55 years	55 years	55 years	
Mortality rate	Thai mortality table 2008	Thai mortality table 2008	Thai mortality table 2008	Thai mortality table 2008	

Weighted average duration of the defined benefit obligation is 11 - 24 years.



## Employee benefit obligation expenses

Amounts recognised in profit or losses related to the employee benefits obligation are as follows:

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Current service cost	770,028	1,194,988	296,234	782,187
Net interest expense	341,599	835,405	141,175	662,109
Total expenses recognised in profit or loss	<u>1,111,627</u>	<u>2,030,393</u>	<u>437,409</u>	<u>1,444,296</u>

The current service cost is included in employee benefits expense. The net interest expense is included in finance costs.

Amounts recognised in other comprehensive income related to the employee benefits obligation are as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Actuarial gains from changes in demographic assumptions	(3,336,620)	-	912,130	-
Actuarial loss from changes in financial assumptions	8,418,749	-	5,628,829	-
Adjustment from experience	611,096	-	(3,106,988)	-
Total loss recognised in other comprehensive income	<u>5,693,225</u>	<u>-</u>	<u>3,433,971</u>	<u>-</u>

All expenses summarised above were included within item that will not be reclassified subsequently to profit or loss.

## Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit : Baht)				
	CONSOLIDATED F/S		SEPARATE F/S	
	2015		2015	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
<b>Discount rate</b>				
Increase (decrease) in the employee benefits obligation	(1,022,164)	1,083,312	(760,914)	804,031
<b>Salary increment rate</b>				
Increase (decrease) in the employee benefits obligation	990,920	(947,498)	739,112	(707,830)
<b>Employee turnover</b>				
Increase (decrease) in the employee benefits obligation	(647,159)	696,166	(457,348)	494,349

As at 31 December 2015, expected maturity of employee benefits obligation before discount are as follow :

(Unit : Baht)		
	CONSOLIDATED F/S	SEPARATE F/S
Less than 1 year	1,991,000	191,000
Between 2 -5 years	3,018,060	2,048,401
Between 6 – 10 years	34,312,981	26,118,521
Between 11 - 15 years	7,112,357	191,000
Total	46,434,398	28,548,922

## 29. OTHER NON - CURRENT LIABILITIES

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Tenant rental deposits	130,712,074	114,418,487	7,010,320	3,911,772
Deposit from employees	2,185,035	1,608,035	1,755,535	1,449,035
Others	-	600,000	-	600,000
Total	132,897,109	116,626,522	8,765,855	5,960,807

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

### 30. SHARE CAPITAL

At the Annual General Shareholders Meeting of the Company held on 9 April 2015, the shareholders approved as follow:

- 30.1 Approval to decrease the registered share capital from Baht 524,467,010 (524,467,010 shares at Baht 1 par value) to Baht 524,463,106 (524,463,106 shares at Baht 1 par value) by decreased common share of 3,904 shares. The Company registered the change in share capital with the Department of Business Development on 10 April 2015.
- 30.2 Approval to increase the registered share capital from Baht 524,463,106 (524,463,106 shares at Baht 1 par value) to Baht 734,257,706 (734,257,706 shares at Baht 1 par value) for reserve the right offering to existing shareholders of the Company of 104,897,000 shares and the exercise warrant of 104,897,000 shares. The Company registered the change in share capital with the Department of Business Development on 16 April 2015.
- 30.3 At current, the Company has not call for paid – up the increment of share capital. Approval to issue and offer warrants No. 2 of 104,897,300 units and to be offered free of charge to the existing shareholders of the Company in proportion to their respective shareholdings, by the ratio of 1 existing share to 1 unit of warrant.

### 31. DIVIDEND PAYMENT

Details of Company's cash dividends declaration and payments during the years 2015 and 2014 are as follow

	Approved by	Qualified common share (shares)	Dividend per share (Baht)	Dividend paid (Million Baht)
1) Final annual dividend	Annual General Meeting of the shareholders held on 9 April 2015	523,963,006	0.25	130.99
2) Interim dividend	Meeting of the Board of Directors held on 8 August 2014	524,463,106	0.23	120.63
3) Final annual dividend	Annual General Meeting of the shareholders held on 9 April 2014	419,573,608	0.15	62.94

Details of Company's stock dividends declaration and payments during the years 2015 and 2014 are as follow

	Approved by	Qualified common share (shares)	Proportion (Share)	Dividend paid (Million Baht)
1) Final annual dividend	Annual General Meeting of the shareholders held on 9 April 2014	419,573,608	4:1	104.89

At the Annual General Shareholder's Meeting of The Company held on 9 April 2014, The Shareholders approved the stock dividend payment at the ratio of 4 existing shares to 1 stock dividend or Baht 0.25 per share, totalling Baht 104.89 million.

Details of subsidiary company's dividends declaration and payments during the years 2015 and 2014 are as follow

JMT Network Services Public Company Limited

	Approved by	Qualified common share (shares)	Dividend per share (Baht)	Dividend paid (Million Baht)
1) Final annual dividend	Annual General Meeting of the shareholders held on 9 April 2015	300,000,000	0.19	57.00
2) Interim dividend	Meeting of the Board of Directors held on 8 August 2014	300,000,000	0.11	33.00
3) Final annual dividend	Annual General Meeting of the shareholders held on 9 April 2014	300,000,000	0.07	21.00

JAS Asset Public Company Limited

	Approved by	Qualified common share (shares)	Dividend per share (Baht)	Dividend paid (Million Baht)
1) Final annual dividend	Annual General Meeting of the shareholders held on 9 April 2015	250,000,000	0.09	22.50

### 32. LEGAL RESERVE

Under the Public Companies Act B.E. 1992, the Company is required to set aside as a legal 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.

### 33. DEFERRED TAX

Deferred tax assets and liabilities are analysed as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Deferred tax assets	39,370,225	19,320,502	10,172,813	9,030,824
Deferred tax liabilities	(30,571,695)	(14,328,422)	(14,419,136)	(6,107,136)
<b>Net</b>	<b>8,789,530</b>	<b>4,992,080</b>	<b>(4,246,323)</b>	<b>2,923,688</b>

The movements in deferred tax assets and liabilities are as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S			
	Recognised as income (expense)			
	1 January 2015	Statement of profit or loss	Shareholders' equity	31 December 2015
<b>Deferred tax assets from :</b>				
From allowance for doubtful accounts of trade accounts receivable	1,383,694	(100,075)	-	1,283,619
From allowance for obsolete inventories	2,904,475	(137,936)	-	2,766,539
From allowance for doubtful accounts from hire - purchase receivables	776,825	141,370	-	918,195
From allowance for doubtful accounts from investments in accounts receivable	3,310,186	17,116,408	-	20,426,594
From allowance for impairment of assets	4,200,000	(2,920,000)	-	1,280,000
From allowance for doubtful accounts from loan to other receivable	-	1,873,656	-	1,873,656
From allowance for doubtful accounts from loan to employees	32,609	61,225	-	93,834
From accrued cost rental under long-term leases	2,524,656	2,732,473	-	5,257,129
From employee benefits obligation	4,188,057	223,400	1,059,202	5,470,659
<b>Total</b>	<b>19,320,502</b>	<b>18,990,521</b>	<b>1,059,202</b>	<b>39,370,225</b>
<b>Deferred tax liabilities from:</b>				
From gain on fair value adjustment of investment property	(8,221,286)	(4,377,744)	-	(12,599,030)
From surplus on revaluation of assets	(6,107,136)	-	(8,312,000)	(14,419,136)
Share of profit from investment in associated company	-	(3,233,023)	-	(3,233,023)
From cost of issuing debentures	-	(320,506)	-	(320,506)
<b>Total</b>	<b>(14,328,422)</b>	<b>(7,931,273)</b>	<b>(8,312,000)</b>	<b>(30,571,695)</b>

(Unit : Baht)

	Consolidated F/S			
	Recognised as income (expense)			31 December 2014
	1 January 2014	Statement of profit or loss	Shareholders' equity	
<b>Deferred tax assets from :</b>				
From allowance for doubtful accounts of trade accounts receivable	1,655,641	(271,947)	-	1,383,694
From allowance for obsolete inventories	1,415,415	1,489,060	-	2,904,475
From allowance for doubtful accounts from hire - purchase receivables	1,199,408	(422,583)	-	776,825
From allowance for doubtful accounts from investments in accounts receivable	1,781,123	1,529,063	-	3,310,186
From allowance for impairment of assets	-	4,200,000	-	4,200,000
From allowance for doubtful accounts from loan to employees	-	32,609	-	32,609
From accrued cost rental under long-term leases	-	2,524,656	-	2,524,656
From employee benefits obligation	3,787,050	401,007	-	4,188,057
<b>Total</b>	<b>9,838,637</b>	<b>9,481,865</b>	<b>-</b>	<b>19,320,502</b>

**Deferred tax liabilities from:**

From gain on fair value adjustment of investment property	(8,780,000)	558,714	-	(8,221,286)
From surplus on revaluation of assets	(6,107,136)	-	-	(6,107,136)
<b>Total</b>	<b>(14,887,136)</b>	<b>558,714</b>	<b>-</b>	<b>(14,328,422)</b>

(Unit : Baht)

	SEPARATE F/S			
	Recognised as income (expense)			31 December 2015
	1 January 2015	Statement of profit or loss	Shareholders' equity	
<b>Deferred tax assets from :</b>				
From allowance for doubtful accounts of trade accounts receivable	1,325,580	(54,204)	-	1,271,376
From allowance for obsolete inventories	2,904,475	(137,936)	-	2,766,539
From accrued cost rental under long-term leases	1,459,900	559,853	-	2,019,753
From employee benefits obligation	3,340,869	87,482	686,794	4,115,145
<b>Total</b>	<b>9,030,824</b>	<b>455,195</b>	<b>686,794</b>	<b>10,172,813</b>
<b>Deferred tax liability from :</b>				
From surplus on revaluation of assets	(6,107,136)	-	(8,312,000)	(14,419,136)
<b>Total</b>	<b>(6,107,136)</b>	<b>-</b>	<b>(8,312,000)</b>	<b>(14,419,136)</b>

(Unit : Baht)

	SEPARATE F/S		
	Recognised as income (expense)		
	1 January 2014	Statement of profit or loss	Shareholders' equity
			31 December 2014
<b>Deferred tax assets from :</b>			
From allowance for doubtful accounts of trade accounts receivable	1,639,102	(313,522)	-
From allowance for obsolete inventories	1,415,415	1,489,060	-
From accrued cost rental under long-term leases	-	1,459,900	-
From employee benefits obligation	3,052,009	288,860	-
Total	6,106,526	2,924,298	-
<b>Deferred tax liability from :</b>			
From surplus on revaluation of assets	(6,107,136)	-	-
Total	(6,107,136)	-	-

Income tax expenses for the years ended 31 December 2015 and 2014 are as follows :

	CONSOLIDATED F/S		SEPARATE F/S	
	(Unit : Thousand Baht)			
	2015	2014	2015	2014
Current income tax expense	102,267	101,071	139,771	51,384
Deferred tax	(11,059)	(10,040)	(455)	(2,924)
Income tax expense	91,208	91,031	139,316	48,460

Reconciliation of effective tax rate

	CONSOLIDATED F/S		SEPARATE F/S	
	(Unit : Thousand Baht)			
	2015	2014	2015	2014
Accounting profit before income tax	451,984	449,929	766,765	280,971
Loss of subsidiary companies per tax base	10,759	3,303	-	-
Total	462,743	453,232	766,765	280,971
Tax rate (percentage)	20	20	20	20
Income tax using corporation tax rate	92,549	90,646	153,353	56,194
Income tax of income and expense not subject to tax	(1,341)	385	(14,037)	(7,734)
Income tax expense	91,208	91,031	139,316	48,460

### 34. PROVIDENT FUND

The Company and its subsidiaries 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 same rate of 3 percent of employee salaries. The provident fund will be paid to the employee upon termination of employment in accordance with the fund regulation. The fund is managed by TISCO Asset Management Company Limited.

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries contributed to the fund totalling Baht 3.75 million and Baht 2.64 million, respectively (the Company's portion: Baht 2.62 million and Baht 1.85 million, respectively)

### 35. RELATED PARTY TRANSACTIONS

The Company had business transactions with its related parties (related by way of common shareholding and/or management). Such transactions have been concluded on the terms and basis determined by the Company and related parties, the basis of which may be different from the basis used for transactions with unrelated parties.

Relationship with key management and other related parties were as follows:

Companies	Relationship
JMT Network Services Public Company Limited	Subsidiary company
JAS Asset Public Company Limited	Subsidiary company
Jay Mart Holding Company Limited	Subsidiary company
JMT Plus Company Limited	Indirect subsidiary company
J Insurance Broker Company Limited	Indirect subsidiary company
J Asset Management Company Limited	Indirect subsidiary company
J & P (Thailand) Company Limited	Associated company
T.A.S. Assets Company Limited	Related company (related by way of common shareholders and/or directors)
Singer Thailand Public Company Limited	Related company (related by way of common shareholders and/or directors)
Smart Item Company Limited	Related company (related by way of common shareholders and/or directors)



The significant transactions with related parties for the years ended 31 December 2015 and 2014 are summarised below :

(Unit : Baht)

Transaction with related parties	Pricing policy	CONSOLIDATED F/S		SEPARATE F/S	
		For the years ended 31December			
		2015	2014	2015	2014
<u>Sales</u>	Market price				
Subsidiary company		-	-	0.6	0.7
Associated company		47.9	-	47.9	-
Total		47.9	-	48.5	0.7
<u>Rental income</u>	Mutually agreed rate				
Subsidiary company		-	-	20.8	16.3
<u>Sale promotion income</u>	Mutually agreed rate				
Subsidiary company		-	-	0.8	-
<u>Dividend income</u>	Shareholder's resolution				
Subsidiary company		-	-	65.2	40.5
<u>Messenger services income</u>	270,000 Baht/Month (Jun-Dec 2015)				
Subsidiary company		-	-	3.1	1.7
<u>Interest income</u>	Mutually agreed rate				
Subsidiary company		-	-	-	2.0
<u>Other income</u>	Mutually agreed rate				
Subsidiary company		-	-	1.1	-
<u>Purchases</u>	Market price				
Associated company		1.7	-	1.7	-
<u>Office rental and service expenses</u>	Mutually agreed rate				
Subsidiary company		-	-	17.7	22.6
Director		1.2	1.2	1.2	1.2
Total		1.2	1.2	18.9	23.8
<u>Sale promotion expenses</u>	Mutually agreed rate				
Subsidiary company		-	-	43.3	-
Associated company		1.1	-	1.1	-
Total		1.1	-	44.4	-

		(Unit : Baht)			
Transaction with related parties	Pricing policy	CONSOLIDATED F/S		SEPARATE F/S	
		For the years ended 31December			
		2015	2014	2015	2014
<u>Key management personnel compensation</u>					
Current employment benefits		45.8	33.1	22.2	20.7
Post-employment benefits		0.8	0.8	0.5	0.5
Total		46.6	33.9	22.7	21.2

As at 31 December 2015 and 2014, the significant outstanding balances are separately presented in the statements of financial position as follows :

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
<u>Other receivable – subsidiary companies</u>				
JAS Assets Public Company Limited	-	-	-	100,200
JMT Network Services Public Company Limited	-	-	24,466	6,300
J Asset Management Company Limited	-	-	-	600
JMT Plus Company Limited	-	-	19,315,699	300
J Insurance Broker Company Limited	-	-	-	300
Total	-	-	19,340,165	107,700
<u>Accrued income –subsidiary companies</u>				
JAS Assets Public Company Limited	-	-	5,741	-
JMT Network Services Public Company Limited	-	-	198,350	-
J Asset Management Company Limited	-	-	44,756	-
JMT Plus Company Limited	-	-	359,533	-
Total	-	-	608,380	-
<u>Rental deposit – subsidiary companies</u>				
JAS Assets Public Company Limited	-	-	4,046,787	5,101,048
<u>Other payable – subsidiary companies</u>				
JAS Assets Public Company Limited	-	-	1,054,666	1,693,573
JMT Network Services Public Company Limited	-	-	-	7,000
JMT Plus Company Limited	-	-	985,289	-
Total	-	-	2,039,955	1,700,573
<u>Other payable-associated company</u>				
Singer Thailand Public Company Limited	3,209,084	-	3,209,084	-

(Unit : Baht)				
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
<u>Rental deposits from subsidiary companies</u>				
JMT Network Services Public Company Limited	-	-	2,852,850	2,926,350
J Asset Management Company Limited	-	-	935,550	404,250
JAS Assets Public Company Limited	-	-	58,023	149,100
JMT Plus Company Limited	-	-	527,191	-
Total	-	-	4,373,614	3,479,700
<u>Accrued expense-subsidiary company</u>				
JMT Plus Company Limited	-	-	6,792,107	-
Total	-	-	6,792,107	-

### 36. EXPENSES BY NATURE

	(Unit : Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	2015	2014	2015	2014
Salaries, wages and other employee compensation	545,309,101	456,212,363	293,830,709	289,712,629
Depreciation	124,995,712	132,180,161	109,787,204	103,845,099
Amortization	36,105,351	29,421,346	28,897,959	24,017,728
Assets written-off	20,892,870	4,999,263	20,882,210	4,999,263
Allowance for decline value of inventories	1,761,757	1,067,455	1,761,757	1,067,455
Inventories written-off	-	236,280	-	236,280
Promotion expenses	168,864,487	161,978,090	199,048,887	160,550,697
Rental expenses	545,933,633	538,780,982	274,655,990	284,192,697
Advertising expenses	1,877,646	2,280,054	71,800	1,663,175
Changes in finished goods	(177,091,809)	274,592,433	(177,091,809)	274,592,433
Purchases of finished goods	7,528,232,630	6,750,655,662	7,528,232,630	6,750,655,662

### 37. FINANCIAL INSTRUMENTS

#### Credit risk

Since the company's customer is consumer from retail but the company approved credit for some customer who has stable of financial position. The subsidiary's customer is mostly financial institution leasing company and has good financial and stable; therefore, the subsidiaries are not expected the significant damage with amount recorded from settlement.

### Interest rate risk

The interest rate risk is the risk that future movements in market interest rates will affect the results of the Company and subsidiary's operations and their cash flows. The exposure to interest rate risk are as follows :

(Unit : Million Baht)

	CONSOLIDATED F/S			
	As at 31 December 2015			
	Floating rate	Fixed rate	Non - interest	Total
<b><u>Financial assets/ liabilities</u></b>				
Cash and cash equivalents	30	-	139	169
Restricted deposits with financial institutions	-	2	-	2
Bank overdrafts and short - term loans				
from financial institutions	903	2,407	-	3,310
Debentures	-	610	-	610
Long – term loans	670	416	-	1,086

(Unit : Million Baht)

	CONSOLIDATED F/S			
	As at 31 December 2014			
	Floating rate	Fixed rate	Non - interest	Total
<b><u>Financial assets/ liabilities</u></b>				
Cash and cash equivalents	27	-	110	137
Restricted deposits with financial institutions	-	2	-	2
Bank overdrafts and short - term loans				
from financial institutions	2,468	-	-	2,468
Long – term loans	508	427	-	935

(Unit : Million Baht)

	SEPARATE F/S			
	As at 31 December 2015			
	Floating rate	Fixed rate	Non - interest	Total
<b><u>Financial assets/ liabilities</u></b>				
Cash and cash equivalents	13	-	85	98
Bank overdrafts and short - term loans				
from financial institutions	-	2,407	-	2,407
Long – term loans	168	-	-	168

(Unit : Million Baht)

## SEPARATE F/S

As at 31 December 2014				
	Floating rate	Fixed rate	Non - interest	Total
<b><u>Financial assets/ liabilities</u></b>				
Cash and cash equivalents	2	-	85	87
Bank overdrafts and short - term loans				
from financial institutions	1,560	-	-	1,560
Long – term loans	196	-	-	196

Financial instruments as of 31 December 2015 and 2014 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 2015					
	At call	1 - 6 months	6 - 12 months	Over 1 year	Total
<b><u>Financial assets/ liabilities</u></b>	-	1	1	-	2
Restricted deposits with financial institutions					
Bank overdrafts and short - term					
loans from financial institutions	-	3,310	-	-	3,310
Debenture	-	-	-	610	610
Long - term loan	-	315	101	670	1,086
					Interest Rate
					0.50% - 2.13%
					2.65% - 4.20%
					4.30% - 4.40%
					2.78% - 5.75%

(Unit : Million Baht)

## CONSOLIDATED F/S

As at 31 December 2014					
	At call	1 - 6 months	6 - 12 months	Over 1 year	Total
<b><u>Financial assets/ liabilities</u></b>	-	2	1	-	3
Restricted deposits with financial institutions					
Bank overdrafts and short - term					
loans from financial institutions	1,560	908	-	-	2,468
Long - term loans	-	427	-	508	935
					Interest Rate
					0.50% - 3.30%
					2.85% - 4.50%
					3.40% - 4.75%

(Unit : Million Baht)

## SEPARATE F/S

As at 31 December 2015					
	At call	1 - 6 months	6 - 12 Months	Over 1 year	Total
<b><u>Financial assets/ liabilities</u></b>	-	2,407	-	-	2,407
Bank overdrafts and short - term					
loans from financial institutions	-	2,407	-	-	2,407
Long - term loans	-	-	-	168	168
					Interest Rate
					2.65% - 3.60%
					4.48%

(Unit : Million Baht)

	SEPARATE F/S					
	As at 31 December 2014					
	At call	1 - 6 months	6 – 12 Months	Over 1 year	Total	Interest Rate
<b><u>Financial assets/ liabilities</u></b>						
Bank overdrafts and short - term						
loans from financial institutions	1,560	-	-	-	1,560	2.85% - 3.80%
Long - term loans	-	-	-	196	196	4.75%

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, short-term loans and long-term from financial institutions, and finance lease payables. 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 instrument

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

Cash and cash equivalent, accounts receivable and accounts payable - 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 long – term loans carry interest at the rates close to market rates.

### **38. COMMITMENTS**

As at 31 December 2015, the Company and its subsidiaries had outstanding commitments as follows :

#### Commitments with related parties

- 38.1 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

- 38.2 The Company has outstanding commitments of approximately Baht 87.53 million (the Company portion: Baht 84.52 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.
- 38.3 The Company has outstanding commitments in respect of service agreements which are payable in the future totaling approximately Baht 3.41 million.

- 38.4 The Company and subsidiaries have commitments under lease and service agreements relating to the rental of space for office building, vehicles and others, with rental and service fee payable under the agreement (not include the changes that may incur upon renewal) as follow:

Year	CONSOLIDATED F/S		SEPARATE F/S	
	Third Parties	Related companies	Third Parties	Related companies
Not over 1 year	481,928,230	25,292,122	231,293,663	8,950,030
Over 1 year but not over 5 years	504,840,515	22,842,984	234,110,251	1,061,500
over 5 years	148,973,823	-	47,170,265	-
Total	1,135,742,568	48,135,106	512,574,179	10,011,530

- 38.5 The Company has commitments in respect of installation and development system with various company of Baht 2.69 million.

- 38.6 The Company has a commitment under land lease right which has to be paid in the future approximately Baht 72.66 million.

### 39. SEGMENT REPORTING

The Company's segmental financial information as presented in the consolidated financial statements for the years ended 31 December 2015 and 2014, are as follows :

	CONSOLIDATED F/S				
	For the year ended 31 December 2015				
	Trading business	Debt collection business	Rental business	Other	Elimination
Revenues	8,352	701	506	-	(48)
Cost of sales and services	(7,353)	(318)	(389)	-	3
Gross profit	999	383	117	-	(45)
Sales promotion income					
Other income					
Interest income					
Finance costs					
Depreciation and amortization					
Reversal for allowance for doubtful accounts					
Profit before income tax					

(Unit : Million Baht)

## CONSOLIDATED F/S

For the year ended 31 December 2015

	Trading business	Debt collection business	Rental business	Other	Elimination	Total
Trade accounts receivable and other receivable - net	291	14	10			315
Property, plant and equipment - net	656	52	60			768
Computer software - net	25	21	1			47
Leasehold rights – net	253	-	520			773
Investment property	-	-	516			516
Other assets	1,960	4,843	343	1,880	(2,095)	6,931
Total assets	3,185	4,930	1,450	1,880	(2,095)	9,350

(Unit : Million Baht)

## CONSOLIDATED F/S

For the year ended 31 December 2014

	Trading business	Debt collection business	Rental business	Other	Elimination	Total
Revenues	8,060	488	449	-	(40)	8,957
Cost of sales and services	(7,026)	(229)	(345)	-	-	(7,600)
Gross profit	1,034	259	104	-	(40)	1,357
Sales promotion income						273
Other income						37
Interest income						6
Finance costs						(72)
Depreciation and amortization						(152)
Allowance for doubtful accounts						(16)
Profit before income tax						450
Trade accounts receivable and other receivable - net	239	14	6	-	-	259
Property, plant and equipment - net	671	37	41	-	-	749
Computer software - net	24	12	1	-	-	37
Leasehold rights – net	279	-	142	-	-	421
Investment property	-	-	498	-	-	498
Other assets	1,879	2,613	186	628	(1,101)	4,205
Total assets	3,092	2,676	874	628	(1,101)	6,169

**Major Customer**

The Company has no major external customer exceed 10% of it revenues.



Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources and assess its operations.

#### 40. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table presents assets that are measured at fair value as at 31 December 2015.

(Unit : Baht)			
CONSOLIDATED F/S			
	Level 2	Level 3	Total
<u>Assets</u>			
Temporary investments – trading security	200,410,469	-	200,410,469
Investment property	-	516,000,000	516,000,000
Land	-	155,850,000	155,850,000
Total	200,410,469	671,850,000	872,260,469
<u>Liability</u>			
Forward contract	32,773,957	-	32,773,957
Total	32,773,957	-	32,773,957
(Unit : Baht)			
SEPARATE F/S			
	Level 2	Level 3	Total
<u>Assets</u>			
Land	-	57,676,544	57,676,544
Total	-	57,676,544	57,676,544
<u>Liability</u>			
Forward contract	32,773,957	-	32,773,957
Total	32,773,957	-	32,773,957

#### 41. 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 dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

#### 42. RECLASSIFICATION

Certain amounts in the statement of financial position as at 31 December 2014 and the statement of income for the year then ended have been reclassified to conform to the current year's classification but with no effect to previously reported profit or shareholders' equity. The reclassifications are as follows:

(Unit: Baht)		
CONSOLIDATED F/S		
	As reclassified	As previously reported
Trade accounts receivable and other receivable – general		
customers - net	263,800,506	221,098,151
Current portion of loan receivables - net	19,140,201	-
Other current assets	90,701,385	152,543,941
Loan receivables - net	3,721,091	-
Investment property	-	72,332,268
Leasehold right - net	72,332,268	-
Costs of rent	345,525,008	336,006,372
Administrative expenses	348,392,467	378,911,103
Reversal of allowance (allowance) for impairment		
of assets	(21,000,000)	-

(Unit: Baht)		
SEPARATE F/S		
	As reclassified	As previously reported
Trade accounts receivable and other receivables - net	240,484,766	197,782,411
Other current assets	54,413,823	97,116,178

#### **43. EVENT AFTER THE REPORTING PERIOD**

##### Jay Mart Public Company Limited

At the Board of Directors' meeting held on 19 February 2016, the board passed a resolution to propose at the annual general Shareholders Meeting for approval to pay dividend from its net profit after tax year 2015 at Baht 0.47 per share for 524,463,106 shares for a total amount of Baht 246.50 million.

##### JAS Asset Public Company Limited

1. At the Extraordinary Shareholders Meeting of the subsidiary company held on 25 January 2016, the shareholders passed a resolution to development of the JAS Srinakarin project, with the total investment approximately Baht 978.56 million.
2. At the Board of Directors' Meeting of the subsidiary company held on 16 February 2016, the board passed a resolution to propose at the General Shareholders Meeting for approval to pay dividend from its net profit after tax for the year 2015 excluding fair value adjustment on investment property and reversal of allowance for impairment of assets at Baht 0.07 per share for 370,390,000 shares for a total amount of Baht 25.93 million.

##### JMT Network Services Public Company Limited

At the Board of Directors' meeting of the subsidiary company held on 19 February 2016, the Board passed a resolution to propose at the General Shareholders Meeting for approval to pay dividend from its net profit after tax year 2015 at Baht 0.16 per share for 369,999,930 shares for a total amount of Baht 59.20 million.

#### **44. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved by the Company's Board of Directors on 19 February 2016.

## Auditing Fee

The Company and its subsidiaries' 2015 and 2014 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 2015 and 2014 amounted for Baht 4.70 million and Baht 4.40 million

### Auditing Fee

	<u>2015</u>	<u>2014</u>
1. Financial Statement Auditing Fee		
Jay Mart Public Company Limited ( Baht)	1.73	1.59
2. Financial Statement Auditing Fee		
Jay Mart Public Company Limited and its subsidiaries (Baht)	4.70	4.40

## Corporate Social Responsibility of the Company

### **“Awuso So Smart” Project**

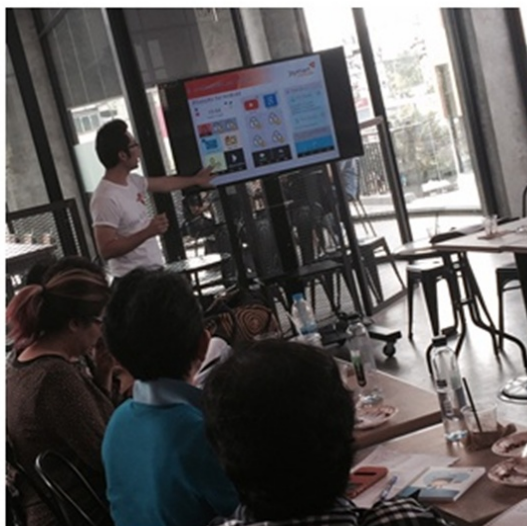
The Project is to provide knowledge about the use of mobile phone applications to the elders. Jay Mart Public Company Limited recognizes the importance of older populations which are likely to increase. According to the definition defined by the United Nations, it is prescribed that a country with more than 10% of population who are 60 years old and above or more than 7% of population who are 65 years old and above is entering aging society. The country will become aged society when the proportion of the population who are 60 years old reach 20% and population who are 65 years old and above reach 14%.

Thailand has entered an aging society since 2005 as the country has more than 10.5% of population who were 60 years and above. In addition, the tendency indicates that elderly population is increasing continuously as the birth rate is declining and average life expectancy of Thai population is increasing. This is resulting from the country's development in medical, public health, economic, social and environmental aspects etc.

Therefore, it is expected that the elderly population will continue to rise steadily. Both public and private organizations recognize the importance of the issue and have initiated various projects to provide particular care for the elders such as senior citizen card, pension fund and establishment of clinics and elderly clubs in various hospitals, etc. Moreover, JMT also realizes the importance of mental and social aspects of elderly. Therefore, we initiated a project to provide education on usage of mobile application under the Project "Awuso So Smart" to help the elders to live happily in the society.

On August 11, 2015, JMT has organized the first project at Jaymart store at Siam Paragon. The atmosphere was filled with fun and attracted a lot of elders' attention about the use of smart phones and various mobile phone applications. Moreover, the organizing staffs also provide advice and answer questions from elders who participated in the event. Therefore, elders have better understanding of the use of smart phones and able to use the Applications to communicate with their children, grandchildren, family and friends in the same age group.

The 2<sup>nd</sup> "Awuso So Smart" project was held on September 11, 2015, at FU5 Coffee shop, The Jas Wanghin. The atmosphere in the event was filled with fun as ever. Many seniors attended the event to learn about applications. There were staffs to look after and answer questions of the seniors in a friendly manner.



#### Results from the Project

- Elders gain more knowledge, learn proper way to use mobile phone and new mobile phone applications.
- Elders are able to have closer relationship with the family and friends in the same age group.

#### Things to be included in the next activities

1. Prepare curriculum for beginner, intermediate and advanced users.
2. Prepare classroom handouts
3. Improve sound system and allow speaker to use microphone.
4. Prepare teaching sequence. Speaker would finish the teaching first before allowing elders to ask questions.
5. Include topics which the elders are interested in such as method to select suitable mobile phone, precautions when using mobile phones, how to use Facebook or Line safely, Computer-related Crime Act etc.