

No. IR60/015

10 November 2017

Subject: Management Discussion and Analysis, 3<sup>rd</sup> Quarter Ending 30 September 2017  
 Attention: President  
 The Stock Exchange of Thailand

Regarding to Jaymart Public Company Limited (“the Company”) Board of Directors’ Meeting No. 6/2017 on 9 November 2017, the resolution to certify the financial statements and performance of the Company and the Company’s subsidiaries for the third quarter ending 30 September 2017 which has already been examined by the Company’s auditor. The results can be summarized as follows;

The Company’s consolidated financial statement for the third quarter in 2017 reported a net profit of 130.8 million baht more than the third quarter in 2016 at 20.4 percent and the Company’s net profit margin equal to 4.1 percent. Thus, the performance of the Company and the Company’s subsidiaries in the consolidated financial statement during the 9-month period for 2017 showed a net profit of 394.1 million baht, which was an increase from the 9-month period for 2016 at 31.5 percent calculated as a net profit ratio of 4.2 percent as a result of performance of subsidiary growth especially in Debt Collection and Management and Personal Loan. The details on the performance of the companies in the group can be described as follows:

### Summary of Income Statement

	Q3/2017	Q3/2016	Change		9M/2017	9M/2016	Change	
	MB	MB	MB	%	MB	MB	MB	%
Sales	2,409.4	2,188.5	220.9	10.1%	7,187.6	6,317.3	870.3	13.8%
Service income from debts collection and others	481.9	292.4	189.5	64.8%	1,335.2	750.6	584.6	77.9%
Rental and service income	175.5	119.9	55.6	46.4%	522.6	386.3	136.3	35.3%
<b>Total revenues</b>	<b>3,066.8</b>	<b>2,600.9</b>	<b>466.0</b>	<b>17.9%</b>	<b>9,045.4</b>	<b>7,454.2</b>	<b>1,591.2</b>	<b>21.3%</b>
Cost of Sales	2,150.2	1,874.1	276.1	14.7%	6,343.8	5,469.8	874.0	16.0%
Cost of Services	164.8	98.6	66.2	67.0%	442.7	270.4	172.3	63.7%
Cost of rental and services	144.2	110.3	33.9	30.7%	425.3	323.6	101.7	31.4%
<b>Gross Profit</b>	<b>607.6</b>	<b>517.9</b>	<b>89.7</b>	<b>17.3%</b>	<b>1,833.6</b>	<b>1,390.4</b>	<b>443.2</b>	<b>31.9%</b>

	Q3/2017	Q3/2016	Change		9M/2017	9M/2016	Change	
	MB	MB	MB	%	MB	MB	MB	%
Sales promotion income	132.4	87.0	45.4	52.2%	415.7	300.0	115.7	38.6%
Selling Expenses	222.0	200.6	21.5	10.7%	674.8	597.5	77.3	12.9%
Administrative Expenses	244.2	219.6	24.6	11.2%	807.5	608.9	198.6	32.6%
Finance Cost	76.1	44.0	32.1	72.9%	210.7	124.7	86.0	69.0%
<b>Net Profit</b>	<b>130.8</b>	<b>108.6</b>	<b>22.2</b>	<b>20.4%</b>	<b>394.1</b>	<b>299.8</b>	<b>94.3</b>	<b>31.5%</b>

### Total Revenues from Sales and Services

The Company total revenues from sales and services for the third quarter of 2017 equal to 3,066.8 million baht more than the same period for last year at 466.0 million baht or an increased ratio at 17.9 percent. For 9-months, total revenues from sales and services were 9,045.4 million baht higher than the same period for last year at 1,591.3 million baht or an increase ratio at 21.3. The reason of an increasing are as following;

1. In the third quarter of 2017, Sales stood at 2,409.4 million baht or an increase of 10.1 percent as compare to the same period last year. For 9-months period of 2017, the Company sales were 7,187.6 million baht or increase at 13.8 percent. This was because the Company has higher sale revenues in Mobile Handset and Camera which as a result of shop expansion and push sale through subsidiary and associated company.
2. Income from debt collection and other services in the third quarter of 2017 was 481.9 million baht. For 9-months end, an income from debt collection and other services was 1,335.2 million baht or an increase of 77.9 percent. This was due to the subsidiary achieved higher debt collection from the distress debt acquired since late of the last year. Moreover, the Company has a higher interest income from lending money to the consumer.
3. Income from rental and services in third quarter of 2017 equal to 175.5 million baht. And for 9 months period of 2017 was 522.6 million baht or increase at 35.3 percent due to the rental revenues increase from the Jas Urban Srinakarin Community Mall and food and beverage business.

### Gross Profit

The Company has gross profit as in the consolidated financial statement for the third quarter of 2017 equal to 607.6 million baht, an additional 89.7 million baht or an increase of 17.3 percent when compared to the previous year. For 9-month period of 2017, the Company's gross profit was

1,833.6 million baht or 31.9% increase from the same period last year. A gross profit margin increase from debt collection business performance growth is rising.

### Selling and Administrative Expenses

The Company incurred expenses in sales and administrative expenses for the third quarter of 2017 equal to 466.2 million baht, which was 46.0 million baht higher or an increase of 11.0 percent when compared to the same period in the previous year, because the Company incurred higher in employee salary from the number of employee increasing in each company, provision for loan and marketing expenses of each business.

### Summary of Statement of Financial Positions

	As of 30 Sep 2017		As of 31 Dec 2016		Change	
	MB	%	MB	%	MB	%
<b>Assets</b>						
Cash and cash equivalents	278.1	2.0%	843.9	6.5%	-565.8	-67.0%
Trade and other receivables	239.7	1.7%	355.0	2.7%	-115.3	-32.5%
Inventories	1,335.6	9.4%	1,148.7	8.8%	186.9	16.3%
Property development costs	222.2	1.6%	96.5	0.7%	125.7	130.3%
Accrued income	598.6	4.2%	407.9	3.1%	190.7	46.8%
Current portion of loans to customers	2,515.2	17.8%	1,822.4	14.0%	692.8	38.0%
Current portion of loans receivable from purchase	489.2	3.5%	427.1	3.3%	62.1	14.6%
<b>Total Current Assets</b>	<b>5,950.9</b>	<b>42.0%</b>	<b>5,325.7</b>	<b>41.0%</b>	<b>625.2</b>	<b>11.7%</b>
Investments in associates	969.1	6.8%	999.2	7.7%	-30.1	-3.0%
Investment Properties	512.9	3.6%	507.3	3.9%	5.6	1.1%
Property, building and equipment	860.6	6.1%	840.5	6.5%	20.1	2.4%
Leasehold rights and prepaid rent	1,587.1	11.2%	1,499.2	11.5%	87.9	5.9%
<b>Total Non-Current Assets</b>	<b>8,207.2</b>	<b>58.0%</b>	<b>7,677.4</b>	<b>59.0%</b>	<b>529.8</b>	<b>6.9%</b>
<b>Total Assets</b>	<b>14,158.0</b>	<b>100.0%</b>	<b>13,003.1</b>	<b>100.0%</b>	<b>1154.9</b>	<b>8.9%</b>
<b>Liabilities and Shareholder's Equity</b>						
Bank overdrafts and short-term loans	2,408.4	17.0%	1,933.6	14.9%	474.8	24.6%
Trade and other payables	720.2	5.1%	717.6	5.5%	2.6	0.4%
Short-term loans	1,230.8	8.7%	2,384.2	18.3%	-1153.4	-48.4%
Long-term loans - net of current portion	1,109.1	7.8%	1,200.2	9.2%	-91.0	-7.6%
Debentures - net of current portion	3,458.2	24.4%	1,497.0	11.5%	1961.2	131.0%

	As of 30 Sep 2017		As of 31 Dec 2016		Change	
	MB	%	MB	%	MB	%
<b>Total Liabilities</b>	<b>9,837.1</b>	<b>69.5%</b>	<b>9,013.2</b>	<b>69.3%</b>	<b>823.9</b>	<b>9.1%</b>
<b>Shareholder's Equity</b>	<b>4,321.0</b>	<b>30.5%</b>	<b>3,990.0</b>	<b>30.7%</b>	<b>331.0</b>	<b>8.3%</b>

### Assets

As of the period ending 30 September 2017, the Company had total assets equal to 14,158.0 million baht more than at the end of 2016 1,154.9 million baht or 8.9 percent due to an increasing in inventories, loans to consumers and land acquisition for new property development in subsidiary.

### Liabilities and Shareholders' Equity

As of the period ending 30 September 2017, the Company had total liabilities equal to 9,837.1 million baht more than 2016 at 823.9 million baht or 9.1 percent due to the Company and its subsidiaries increase short-term loan from financial institutions and switching tenor of debt to be longer. While, Shareholders' Equity stood at 4,321.0 million baht or increase at 8.3 percent due to the Company retain earning increase. As ending of third quarter of 2017, the Company 's debt to equity ratio was 2.27 times and the interest bearing debt to equity is 2.03 times. The debt increase is to finance potential project in each business of Jaymart Group.

### Looking Forward

The year to date of the Company performance was in line with target. In the third quarter of 2017, the Company enters in season of each business. The government announces tax incentive for purchasing good and services – “Shop Chauy Chart” – on 11 November – 3 December 2017 to stimulate domestic consumption. This would directly support revenues for Mobile Handset and Camera retail business. Furthermore, each mobile brand has launched new Flagship model in Q4/2017 which would has a positive impact on sale performance of the Company in Q4/2017. To grasp this opportunities, the Company prepare a promotion campaign in Jaymart Shop, Website [www.jaymart.co.th](http://www.jaymart.co.th) and other channel of sales for the customer.

For the business of subsidiaries in Q4/2017 is still be a high season period as well; debt collection, personal loan and IT and mobile rental space.

Thus, you have been informed for your acknowledgement.

Sincerely Yours,

- *Singed* -

(Ms. Ladda Waruntarakul)  
Company Secretary

**Investor Relations Department**  
Jaymart Public Company Limited  
Mr.Panya Chutisiriwong