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Ref: IR62/013

13 November 2019

Re: Management Discussion and Analysis (MD&A) for Q3/2019 ended 30 September 2019
 To: The President
 The Stock Exchange of Thailand

According to the resolution of the Board of Directors Meeting of Jaymart Public Company Limited (**"the Company"**) No. 4/2019, held on 13 November 2019, had approved the financial statements and the operating results of the Company and its subsidiaries in the third quarter of 2019 ended 30 September 2019, which was reviewed by the Company's auditor. The conclusion was detailed as follows:

The Company's operating results and its subsidiaries for the third quarter of 2019, the consolidated financial statements showed the net profit of 124.6 million Baht, an increase of 4,655 percent from the third quarter of 2018, representing a net profit margin of 4.66 percent. The increased net profit in the third quarter of 2019 was mainly due to the businesses in subsidiaries and associated the Company investing had improved operating results when compared to the same period last year. The business of mobile phone distribution business, personal loans business, and non-performing loan management business was the important main factor driving the Group's overall performance to continue growing compared to the previous year. For the Company's performance in the consolidated financial statements for the nine-month of 2019, the Company reported a net profit of 380.0 million Baht, equivalent to a net profit margin of 4.70 percent. The details were as follows:

Income and Profit Performance

	Q3/2019	Q3/2018	YoY	9M/2019	9M/2018	YoY
	Mio.	Mio.	%	Mio.	Mio.	%
Revenue from sales	1,651.3	2,101.1	-21.4%	5,200.6	6,875.1	-24.4%
Service income from debts collections	818.1	707.7	15.6%	2,294.5	1,881.6	21.9%
Rental and service income	132.2	151.4	-12.7%	423.2	467.4	-9.4%
Insurance income	71.2	35.1	102.7%	153.6	67.7	126.9%
Total Revenues	2,672.7	2,995.3	-10.8%	8,072.0	9,291.8	-13.1%
Cost of Sales	1,421.1	1,861.0	-23.6%	4,445.9	6,019.8	-26.1%
Cost of Services	245.3	198.0	23.9%	694.1	575.2	20.7%
Cost of Rental and Services	139.7	156.4	-10.7%	432.4	469.6	-7.9%
Cost of Underwriting	74.2	25.5	190.9%	166.4	47.7	248.8%
Total Cost	1,880.3	2,240.9	-16.1%	5,738.8	7,112.4	-19.3%

	Q3/2019 Mio.	Q3/2018 Mio.	YoY %	9M/2019 Mio.	9M/2018 Mio.	YoY %
Gross profit	792.5	754.5	5.0%	2,333.2	2,179.4	7.1%
Sales promotion income	94.2	52.1	80.8%	236.5	196.7	20.3%
Selling Expenses	228.8	263.0	-13.0%	687.0	751.9	-8.6%
Administrative Expenses	346.2	421.2	-17.8%	1,009.1	1,317.8	-23.4%
Financial expenses	139.1	-120.6	-215.3%	389.3	331.5	17.4%
Income tax expenses						
Net Profit Attributable to Equity Holders	124.6	2.6	4,692.0%	379.9	-140.1	371.2%

Revenues Analysis

The Company's total revenue for the third quarter of 2019 was 2,672.7 million Baht, a decrease of 322.6 million Baht from the same period of the previous year or representing 10.8%. In this regard, the cause of the change was as follows:

1. Sales revenue for the mobile phone distribution decreased in the third quarter of 2019 by 1,651.3 million Baht, a decrease of 449.8 million Baht or 21.4% from the same period last year. For the nine-month of 2019, it was 5,200.6 million Baht, a decrease of 1,674.5 million Baht or 24.4%. This result was due to the decrease in sales, which was affected by the trade war as well as the raising of competition in the mobile phone distribution market.
2. Revenue from debt collection and other services in the third quarter of 2019 increased by 110.4 million Baht or 15.6%. Revenue for the nine-month of 2019 was 2,294.5 million Baht, an increase of 412.9 million Baht or 21.9%. Revenue for the nine-month of 2019 was 2,294.5 million Baht, an increase of 412.9 million Baht or 21.9%, which was mainly from the Company could collect much more cash from the non-performing debt management business.
3. Rental and service income in the third quarter of 2019 was 132.2 million Baht, a decrease of 19.2 million Baht or 12.7%. For the nine-month of 2019, equal to 423.2 million Baht, a decrease of 44.2 million Baht or 9.4%. The decrease resulted from closing the branch of IT Junction due to the operating result was unreachable the target. This might help to reduce the loss the non-performing branches in the future.
4. Insurance income in the third quarter of 2019 was 71.2 million Baht, and for the nine-month of 2019 was 153.6 million Baht, which was a result of the expansion of the insurance business, resulting in increased insurance premiums from the adjustment of market strategies.

In this regard, the total revenue for the nine-month of 2019 was 8,072.0 million Baht, a decrease of 1,219.8 million Baht or 13.1%, mainly due to the decrease of income from the mobile phone distribution and the rental business.

Gross Profit

For gross profits, according to the consolidated financial statements for the third quarter of 2019 was 792.5 million Baht, an increase of 38.1 million Baht or 5% from the same period last year. While for the nine-month of 2019 was 2,333.2 million Baht, representing a gross profit margin of 28.9%. An increase in gross profit was a result of the revenues of companies in the group with high gross margins increased, such as debt collection and management business, personal loans business, as well as the gross profit margin in the mobile phone distribution had improved from the adjustment of business strategies.

Selling and Administrative Expenses

The Company's selling and administrative expenses for the third quarter of 2019 were 575.0 million Baht, a decrease of 109.1 million Baht or 15.9% compared to the same period last year. For the nine-month of 2019, the Company had selling and administrative expenses equal to 1,696.1 million Baht, a decrease of 373.6 million Baht or 18.0% compared to the same period last year. This was due to the administrative expenses related to the bad debt reserve of personal loans decreased as well as control costs to be appropriate for the size of the subsidiary's business, causing expenses in both selling and administrative decreased.

Net profit

The Company's net profit according to the consolidated financial statements for the third quarter of 2019 is 124.6 million Baht, an increase of 122.0 million Baht or 4,692% from the same period last year. Whereas, the Company's net profit from the consolidated financial statements for 9 months of 2019 is 380.0 million Baht or 371% increase from the same period last year. An increasing in net profit reflects the group of companies' performance has been continually improved.

Financial status analysis from consolidated financial statements**Assets**

As at the end of 30 September 2019, the Company had the total assets of 19,930.9 million Baht, an increase of 487.9 million Baht or 2.5% from the end of 2018. This was due to the subsidiary company operating the NPL management business that has invested in NPLs in the past 9 months. Moreover, the cost of real estate development in subsidiaries increased in condominium projects that are being developed and nearly completed to transfer to customers. Besides, the Company was able to reduce the inventory to 846.6 million Baht, compared to at the end of the year 2018, equivalent to 1,329.1 million Baht.

Liabilities and Shareholders' equity

As at the end of 30 September 2019, the Company had total liabilities of 14,919.7 million Baht, an increase of 180.1 million Baht or 1.2% from the end of 2018. This resulted from the Company and its subsidiaries had repaid partial loans to financial institutions as well as the issue of the debentures replacing the due ones. As for shareholders' equity, the amount was 5,011.2 million Baht, an increase of 306.8 million Baht

from the end of 2018. In this regard, the Company had the debt-to-equity ratio of 2.97 times and the interest-bearing debt to equity ratio of 2.61 times.

Forward Looking

The Company's operation has been continuing to set goals for the sustainability of the business in the future. Jaymart as a holding company has built the foundation of the business to grow in the future, according to the business plan and created returns for the shareholders. Performance during the third quarter of 2019, despite, there was a decrease in operating results in some businesses, however, as for other core businesses the Company could turn back, such as the mobile phone and personal loan business. Whereas in the fourth quarter of 2019, the Company's management has an opinion on the trend of the operating results as follows:

Mobile Phone Distribution business (The business of the core company)

In the fourth quarter of 2019, Jaymart Mobile Company Limited has entered the high season of sales. The main brands have released new mobile phone models, which increased sales at the beginning of the fourth quarter. Besides, being a business alliance with AIS allows the Company to generate sales with mobile packages very well and has the potential to compete in the market.

Non-performing Loan management Business

JMT Network Services Public Company Limited still has a strong growth direction and is the main force in the Group's profitability, hoping to have a continuous growth for the third consecutive year. The bad debt portfolio under management by JMT showed its potential to growth its performance in future and will be a core contribution of the group of companies.

Personal Loans Business

J Fintech Company Limited operating personal loan business has been strict in granting loans as well as collect the debt to reach its target, resulting in a net profit in the last 9 months of the year 2019. The loan receivables outstanding balance stood at 3,678 million Baht or a decline by 8.8% from the ending of 2018. The Company is very cautious to lending consumers. Moreover, the Company performance a collection rate for the Normal to X-Day for third quarter at 97.0%.

Property Development Business

JAS Asset Public Company Limited is in the process of transferring the condominium units under the Newera Condominium project, which has started to transfer the condominiums since the beginning of the fourth quarter of 2019. This made the subsidiary's operating results able to recognize the revenue and profit according to the target.

Please be informed accordingly.

Sincerely yours,

- *Signed* -

(Ms. Ladda Waruntharakul)

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Group Investor Relations
Jaymart Public Company Limited