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Ref: IR63/007

15 May 2020

Subject: Management Discussion and Analysis Quarter 1/2020 ended 31 March 2020
 Attention: President
 The Stock Exchange of Thailand

In accordance with the resolution of the Board of Directors of Jaymart Public Company Limited ("the Company") No. 6/2020 on 15 May 2020 the resolution to certify the financial statements and performance of the Company and the Company's for the first quarter ending 31 March 2020, which has already been examined by the Company's auditor, the results can be summarized as follows;

For the consolidated financial statements and the company's performance and subsidiaries ended 31 March 2020. This has been reviewed by the Company's auditor and can be summarized as follows:

Consolidated FS	Quarter 1/2019		Quarter 1/2020		Change	
	MB.	%	MB.	%	MB.	%
Revenue from contracts with customers	1,943.6	70.9%	1,714.0	64.3%	-229.6	-11.8%
Interest income from loans from the purchase of receivables and loans	549.6	20.0%	552.6	20.7%	3.0	0.5%
Gain on loans receivable from purchase of accounts receivable	88.3	3.2%	232.8	8.7%	144.5	163.6%
Rental income	124.2	4.5%	93.7	3.5%	-30.5	-24.6%
Insurance Income	37.3	1.4%	71.4	2.7%	34.1	91.3%
Total Revenues	2,743.0	100.0%	2,664.4	100.0%	-78.6	-2.9%
Cost of sales	1,575.1	57.4%	1,385.1	52.0%	-189.9	-12.1%
Cost of Services	208.3	7.6%	231.6	8.7%	23.3	11.2%
Rental cost	148.9	5.4%	39.0	1.5%	-109.9	-73.8%
Insurance Expenses	32.6	1.2%	59.5	2.2%	26.9	82.5%
Total cost of sales and services	1,964.8	71.6%	1,715.2	64.4%	-249.6	-12.7%
Gross profit	778.1	28.4%	949.2	35.6%	171.1	22.0%
Sales promotion income	61.8	2.3%	69.3	2.6%	7.5	12.2%
Other income	49.7	1.8%	39.5	1.5%	-10.2	-20.6%
Profit before expenses	908.8	33.1%	989.2	37.1%	80.5	8.9%

Consolidated FS	Quarter 1/2019		Quarter 1/2020		Change	
	MB.	%	MB.	%	MB.	%
Selling and distribution expenses	222.4	8.1%	201.1	7.5%	-21.3	-9.6%
Administrative expenses	341.9	12.5%	435.6	16.3%	93.7	27.4%
Total Expenses	564.3	20.6%	636.7	23.9%	72.4	12.8%
Operating Profit	344.5	12.6%	352.6	13.2%	8.0	2.3%
Finance Cost	120.1	4.4%	150.3	5.6%	30.1	25.1%
Net Profit attributed to Equity Shareholders	118.3	4.3%	104.8	3.9%	-13.5	-11.4%

Revenues Analysis

The Company's total revenue for the first quarter of 2020 was 2,664.4 million Baht which was a decrease from the same period last year 78.6 million Baht or 2.9% decreasing with details of income as follows:

1. Revenue from contracts with customers is equal to 229.6 million baht decreasing from the same period last year with sales in the first quarter of 2020 decreasing. Due to the decrease in sales of mobile distribution business In part due to the closing of branches of mobile phone shop and community mall at the end of the 1st quarter 2020
2. Interest income from loans from the purchase of receivables and loans is equal to 785.4 million baht increasing from the same period last year 147.4 million baht or 23.1 % which is a result of the revenue from the NPL management business that is continuously growing.
3. Rental income is equal to 93.7 million baht decreasing 30.5 million baht or 24.6 % from the same period last year. Due to the closure of IT Junction branches in branches where the performance did not meet the target and the rental reduction policy for client in property rental business.
4. Insurance income in the first quarter of 2020 is equal to 71.4 million baht which is the revenue to increase business sales in the insurance business.

Selling and Administrative Expenses and Profit before expenses

In the first quarter of 2020, the company has total cost of sales and services 1,715.2 million baht decreasing] from the same period last year 249.6 million baht or 12.7 % The decrease in cost of sales was mainly due to the decrease of cost of sales in the mobile business and the reduction of rental cost in the rental area business. This is a result of the implementation of the Thai Financial Reporting Standards No. 16 since the beginning of this year. Causing the subsidiary companies to record the rental decreased.

The company has a profit before expenses. (which is calculated including sale promotional income) from the consolidated financial statements for the 1st quarter 2020 of 989.2 million baht, an increase of 8.9% compared to the same period last year.

Selling and administrative expenses and operating profits

In the first quarter of 2020, the company has total selling and administrative expenses equal to 636.7 million baht, 12.8 % increasing. This is due to the allowance of provision in distress debt management business and personal loan business.

Finance Cost

The company had total financial costs in the first quarter of 2020 equal to 150.3 million baht increased from the same period last year was equal to 30.1 million baht. Most of the increase in financial costs is the increase of the company's financial costs. And subsidiaries for debentures and loans from financial institutions since the beginning of this year.

Net Profit

The Company's net profit from consolidated financial statement for the 1st quarter was 104.8 million baht decrease 11.4 %. Net profit margin equal to 3.9% equivalent to the ratio of earning per share to 0.116 the decrease was a result of the economic slowdown and the impact of the Covid-19 situation.

Summary of Financial Statement Position

Assets

As of the period ending 31 March 2020, the Company has total assets equal to 23,074.5 million baht higher than the ending of the year 2019 equal to 2,701.7 million baht or 13.3%. The majority of assets increased were current assets are cash and cash equivalents increased. And increased investment properties. And increased rights of use assets.

Liabilities and shareholders' equity

As of 31 March 2020, the company had total liabilities of 17,922.6 million baht, an increase of 2,782.3 million baht or 18.4 percent. There were significant changes in liabilities in the first quarter of 2020, which was an increase in debentures of the subsidiary that raised funds. Issued debentures before the COVID-19 outbreak and lease liabilities from the adoption of new accounting standard.

As of 31 March 2020, the company had total shareholders' equity of 5,151.9 million baht, a decrease of 80.6 million baht or a decrease of 1.5 percent due to in the beginning of the year, the company implemented new Thai Financial Reporting Standards both the standard No. 9 and No.16. This will have some effects on shareholders' equity since the beginning of the year. In addition, the Company has an increase in

shareholders' equity from the sale of Big Lot's shares of subsidiaries to external parties. Therefore causing shareholders' equity to increase to compensate for the decrease in retained earnings due to the implementation of new Financial Reporting Standards.

As at end of Q1/2020, the Company has an interest bearing debt to equity ratio equal to 2.65 times, slightly increased from the end of the year 2019 which is equal to 2.50 times.

The effects of the outbreak situation on Covid 19. Including measures that the company has taken to reduce the impact and Looking Forward

According to the current situation of Covid 19. Company as a holding company which invest in various businesses inevitably affected by the situation. However, considering the income and profit proportion of subsidiaries and affiliates, it is found that diversification of investment in various businesses. That is an investment policy that alleviates the effects of risks under these circumstances. In this regard, the company would like to summarize the impact and the ways in which the company has implemented as follows:

1. Aspect of the performance of mobile and accessory distribution businesses.

Jaymart Mobile Company Limited ("Jaymart Mobile") (Jaymart holds 100%) has been affected in terms of revenue. Due to the branch closure according to government policy with the company focusing more on online sales. Including sales through other channels under the cooperation of the group companies such as establishing a Chat and Shop sales program receiving good feedback. In the first quarter of 2020, the company was affected by the closing of the department store for 10 days. And in the 2nd quarter of 2020, the company had to close more than 90% of the branches according to the government's policy in April 2020. Which affected Jaymart mobile's revenue in April. However, the company is able to open more than 70% of the total number of branches. Since 3 May 2020 onwards. By starting to gradually open since the government has implemented measures to ease the lock down. Which is expected to have a better trend in terms of sales of the company. Moreover, due to the lock down alleviation policy Jaymart Mobile is expected to open all branches since 17 May onwards.

During the closing of the branches, Jaymart Mobile has taken immediate steps to reduce costs, with measures that have been implemented as follows:

1. The company receives a discount on rental fees when branches of the company do not sell products. Which the rent is considered one of the main expenses of Jaymart Mobile.
2. The company and Jaymart Mobile have reduced the remuneration of executives and employees. Which is the cooperation of the employees In the midst of the branch closing situation during the period that the company was affected by the Covid 19 situation.

3. The company has negotiated for inventory management with various brands to reduce the amount of inventory or requesting support because the company is unable to sell products. In which the company has received good cooperation from various brands under this situation. However, Jaymart Mobile has gradually reduced its inventory since 2019. At present, the company's inventory has decreased continuously. As of the first quarter of 2020, the value is equal to 963 which is the lowest level in the past 2 years. Therefore The Company has low risk in stocking inventory.

With these significant cost-cutting measures, Jaymart Mobile is able to limit and manage the impact of the situation. Therefore, for the mobile distribution business, even if the revenue is affected but in terms of costs and expenses, were also managed to be reduced proportionally as well. Which the company has an aspect on the operating results in the 2nd quarter of 2020, Jaymart Mobile has been affected according to the situation but is at a manageable level and does not have a significant impact on the company as a holding company. The branch of Jaymart Mobile has started to sell after the government announced the relief of lock down measures. Beginning May 5, 2020. After opening some branches, the company's sales have increased respectively.

2. Aspect of the performance of the retail space in rental business and community mall business.

JAS Asset Public Company Limited ("JAS Asset") (Jaymart holds 74.9%) has been affected by reduced income due to the government's policy to close the lockdown in the end of March and April 2020. Due to the company gives a discount on rental fees and considers not to charge rental fees to retail. However, JAS Asset has measures to reduce the operating expenses of JAS Asset as follows:

1. The company receives a discount from the lessor during the period when the shopping center is closed.

Which is the company's main expense in operating the rental space business of IT Junction.

2. The company receives a rental discount from the land owner for both shopping centers with leasehold rights. Including other long-term rental areas during April. Which makes the company able to manage expenses which are the main operating costs In the midst of the affected situation of Covid 19.

3. The company has reduced operating costs, utility bills that involved in the company's operations in the shopping center. And the reduction of compensation for executives and employees during the time the company was affected by the shopping center closing situation.

The decrease in the rent caused JAS Asset's total rental cost to be significantly reduced compared to the normal period. Causing the main expenses of JAS Asset to be reduced according to the situation of revenue

decline. In addition, JAS Asset is aware of the period of crisis. Cash flow in operations is important to business operations. JAS Asset has conducted negotiations with financial institutions. In order to find a way to maintain the best liquidity. In which JAS Asset has negotiated with financial institutions in order to reduce the burden of credit installment with financial institutions. There is a reason for being affected by the situation that must comply with government policies. By receiving the payment of the principal for 6 months. And JAS Asset has requested for soft loans from financial institutions under the government's measures with low interest rates. With both measures, JAS Asset can maintain the liquidity very well. The company still has cash flow from operations in terms of rental fees in shopping centers that have not yet closed in accordance with government policies. And have some cash flow from condominiums And the commencement of operation of a new shopping center project in Chonburi Province.

According to the above, JAS Asset for 2Q2020 will be affected by the situation of Covid 19. However, the company has accelerated the measures to quickly reduce the impact causing the impact of the situation to be limited and can be managed. And does not affect the company as holding Company significance.

3. Aspect of the performance of the distress debt management business.

JMT Network Services Public Company Limited ("JMT") The Company has a positive aspect on the direction of JMT's operating results. In the midst of the Covid 19 situation, in the first quarter of 2020, JMT was slightly affected. But still able to manage. However, JMT has been affected by factors that may affect the collection of cash flows from customers in the 2nd quarter of 2020. Such as employment conditions or the effect of reducing compensation in the company that the debtor has worked for. Which may cause some impact on cash flow collection. However, the company managed the effects by Reducing the monthly installment burden for debtors with was considered to be affected by the Covid's situation 19. And manage the non-performing debt collection port to the non-performing debt port that is not much affected by the situation.

The company expects that the cash flow that can be collected There may be some slowdowns. However, JMT will still be able to collect cash flow because JMT continually buys more NPLs. In the 3rd - 4th quarter of the year 2019, JMT purchased non-performing loans from financial institutions. Especially those with unsecured debt which the purchase of non-performing debt late in the past. JMT will begin to collect cash flow from the NPL portfolio at the beginning of last year. In addition, throughout the first quarter of 2020, the company purchased additional non-performing loans. With the value of distressed debt of more than 5.8 billion baht according to contractual value. Which will be able to start collecting from the end of 2nd quarter 2020 onwards.

4. Aspect of the performance of the personal loan business.

J Fintech Company Limited ("J Fintech"), is a personal loan business. From the situation of Covid 19 which affects the overall economy of the country. Will have some effect on J Fintech Company Limited's performance because debt collection may be affected. However, with customer support measures, which are government policies. .And accounting standards which relived the provision for debtor is an important variable that impacts the Covid situation at a manageable level. However, according to the board's resolution No. 5/2020, held on 23 April 2020.

The company has informed the joint venture of J Fintech subsidiary with KB Kookmin Card. The Company must comply with the condition precedent (Condition Precedent) to complete the joint venture.

After the joint venture, J Fintech will no longer be a subsidiary of the company. In which the company will recognize the net profit or loss in proportion to the joint investment. In addition, the company also has the opportunity to receive the entire loan between the companies according to the joint investment agreement and J Fintech will receive financial support with a significant reduction in financial costs.

Please be informed accordingly.

Yours faithfully,

- Singed -

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